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ABSTRACT

Since 5 of the 24 states receiving Johnson O'Malley (JOM) funds contained school districts that applied for JOM funds to meet basic operational expenses, the study was conducted to: assess state, local and federal funds going into the districts and for what purposes and programs; assess their impact on Indian students; assess the unmet financial and program needs; determine program duplication, its prime causitive factors, and remedies for any duplication; identify if there was sufficient funds in each program to meet the basic and supplemental needs of Indian children; identify and recommend needed remedies to insure sufficient funds for covering basic expenses. The budgets of the 25 districts that requested JOM basic support money for the 1974-75 school year were examined and analyzed. The finances of districts that asserted need and average districts within those states, and the financial levels of states that claimed need and those that did not were compared. This report summarizes the study; presents a brief history of JOM and school districts' financial needs; discusses what need is, who has it, and who defines it; and gives the recommendations for remedies and for JOM fund distribution. Appended are individual state summaries of state practices in public school finance and of individual revenue conditions in the school districts receiving JOM basic support; and tabular summaries of data referred to in the analysis and an explanation of the sources used for all data. (NQ)

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INDIAN EDUCATION TRAINING, INC. REPORT
to
NATIONAL INDIAN EDUCATION ASSOCIATION

Sections 103 and 104 - PL 93-638 Study

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SECTION I. SUMMARY OF STUDY CONDUCTED UNDER WORK SECTIONS 103 AND 104

A. Scope and Boundaries and Methodology

(excerpt from JOM Work Requirements)

> Work Requirements. 103. A. "Identify in all States receiving JOM funds a representative sample of public school districts on or near the reservations that have financial problems in meeting basic operational expenses."
>
> (1) Assess what State, local and Federal funds go into the districts, the amounts, and for what purposes and programs.
>
> (2) Assess the impact of these funds and programs on Indian students.
>
> (3) Assess the unmet financial and program needs.
>
> 103. B. Determine if there is program duplication. If not, why not? If there is, determine the prime factors that are causitive and how can the duplication be remedied.
>
> 103. C. Identify if there is sufficient funds in each program to meet the basic and supplemental needs of Indian children.
>
> (1) Explore Federal, SEA, and LEA assistance programs - their management, administration and budgets.
>
> (2) Identify and recommend what needs to be remedied to insure sufficient funds for covering basic expenses.
>
> > (i) Changes in legislation? What Acts? At what governmental levels?
> >
> > (ii) Changes in roles and management? At what govermental levels?

Although 24 States now receive Johnson O'Malley, only five contain school districts that apply for Johnson O'Malley funds to meet basic operational expenses. This simple statistic led us not to take samples within all States but rather to go to all districts that had claimed need

within those five States. Asking people whether or not they need more money may be a profitable exercise for rooting out Saints, ascetics, and misanthropes; it does not seem suited to the exploration of public finance issues.

We did, however, make direct financial comparisons between districts that asserted need and average districts within those States, and we compared the financial levels of States that claimed need with those that did not.

We collected, examined and analyzed the budgets of the 25 districts that had requested JOM basic support money for the school year 1974-1975. Our goal was to collect all budgets from school years 1973-1974, 1974-1975, and 1975-1976 from a district, State and BIA Area level.

Because of the timing of the study, the most complete information was also the least current - 1973-1974. In many States, they had not completed their final audit for 1974-1975 and their figures for this school year can only be projections. Given these unavoidable handicaps, we were able to collect 97% of the necessary data. In several instances, the district, State and Area budgets showed different figures. We took whichever budget came closest to representing a statement for public record.

We had neither the time nor the hubris to assess the impact of funds and programs on Indian students. Apart from the fact that few people seem to agree on what quality education is, there is no direct correlation between quantity and quality. Educators of wide-ranging ideologies do agree, though, that all things considered, it is better to have more money than less money. There is one qualitative judgment that can be made. If a school district claims that they will not deliver quality education because they don't have the money, they should be believed. Their

assertion then has the strength of a self-fulfilling prophecy.

There is an inherent problem in getting school districts to identify precisely their basic operational needs for Johnson O'Malley because that begins to move toward categorical programs and line item budgets. Historically, there have been two clear advantages to receiving JOM basic support money. (1) It has not been necessary to budget it except as an incoming lump sum figure. (2) The second advantage has been that school districts getting non-categorical money have received a larger share than those getting categorical, supplementary funding. It is therefore against the perceived self-interest of districts to be too specific about their needs. We did collect considerable information of a general nature of special costs and expenses common to reservation and near-reservation schools and not generally found in non-Indian schools.

The question of duplication is a complex one and we found that we needed to separate it into several sections. (1) Program duplication is here interpreted as meaning that a school district runs more than one program, e.g. remedial math for the same student ostensibly for the same purpose without knowing it. (2) Funding duplication has no meaning unless there's a surplus of money. No one made this claim. (3) Duplication or overlap of authority for funding relates to ambiguity of purpose either related to legislation or to the administration of funds.

One of the major eligibility requirements for JOM basic support use is the assurance that it will be counted only after all other available funding (local, State, and other Federal) has been considered. The study looked at total funding sources, their administrative systems, uses, and individual formulas within States. We also made a comparison between State systems that did and did not use JOM for basic support. The various

State and local administrative systems were measured against the existing (9/74) Johnson O'Malley regulations.

Throughout the study we looked at all funds available to school districts and asked a series of questions. (1) Are they in need? (Poor) If so, compared to what and to whom? (2) If they are in need, why? Are they made poor because of the Indian students attending or because their State has an unusually low commitment to public education? Is the district poor because of tax exempt land, and, if so, why doesn't PL 874 compensate for the tax loss? (3) Does supplanting take place? Is the JOM funding really added to the budget or does it simply replace other money that would be there if there were no Johnson O'Malley?

All recommendations (legislative and administrative) will be made in a later section of this report.

SECTION II. BRIEF HISTORY OF JOHNSON O'MALLEY AND SCHOOL DISTRICTS' FINANCIAL NEEDS

Although the Johnson O'Malley Act is frequently discussed as if it started Indian attendance in public schools, it, in fact, only gave the BIA contracting authority with States for a process that had begun in 1891 - 43 years earlier.

The Secretary of Interior's report of 1900 expressed scepticism in the following language ..."notwithstanding the incentive of $10 per capita offered by the government ... indifferent results were obtained." Public schools for Indian pupils, they concluded, are valuable "only when they are located in sections favorable to the coeducation of the races."[1]

At the time of the Merian report in 1928, still six years before Johnson O'Malley, there were more Indian students in public schools than in Bureau schools. In 1930, 53 percent of Indian students were in public schools. The BIA was negotiating separate contracts with each school district and they were beginning to run past the hundreds into the thousands. JOM was intended primarily as legislative authority to deal with central contracting agencies, i.e. States. [2]

The Bureau's position relative to financial compensation for school districts was stated by Carson Ryan, Director of BIA Education, 1930-1935, in a letter to the Superintendent of Schools for the State of Washington. He wrote that it was the intention of the Federal government to offset school districts for the loss of taxes and not to pay the entire cost for the education of Indian children.[3]

There was a difference of emphasis on JOM from the beginning. The school districts and States concentrated on the financial compensation, and the Bureau, while acknowledging the justification for the payments, wanted to use their experience to influence curricula and programs for Indian students. They offered to position BIA educators in State department offices. This was a delicate matter, and when it worked it could be laid, not to a miracle of bureaucratic coupling, but to the diplomacy of the BIA people involved.

In 1936 the Bureau had JOM contracts with California and with Washington. Based on these two programs, however, John Collier's Annual Commissioner's report listed as the most important controlling factors: type and quality of schools actually maintained; amount of money needed to maintain a suitable school adapted to the needs of Indian and white children; amount and value of non-taxable Indian lands; methods of taxation, amount of State support for education; basis of distribution of State support; maintenance and capital outlay costs; changing legislation affecting school finances; distribution of Indian children; and attitudes of whites toward Indians.[4]

(It may be necessary to take time out to quash the rumor that John Collier is alive and well and writing 1975 legislation and work requirements.)

There was, of course, no such thing as one national financial need for Indian education. In Oregon 60% of school budgets were raised from local taxes. In New Mexico less than one fourth was raised locally. What was important was that the Bureau was unable to effect or have any real control over State programs for Indians. California was the first

State to apply for a JOM contract in 1934, but by 1942 the Bureau position of Indian superintendents in California had been abolished.

In 1938, Willard Beatty, the new BIA Director of Education, wrote to the State Superintendent of Schools in Arizona saying that the State of Arizona "would take over the distribution of tuition funds to the several districts." Under those conditions of control, Arizona became the fourth State to contract for JOM.[5]

This was the beginning of the bureaucratic equivalent of the indefinitely extended separate honeymoon. It is not surprising that Arizona would be shocked to hear the Bureau come back 38 years later to ask the State, however politely, to justify what they had been doing.

P.L. 874 and PL 815 (Impact Aid) were both passed in 1950 to take care of general operating expenses and construction respectively for students from tax exempt land. The bills, however, were motivated by a growing military and other Federal tax exempt presence and not by Indian lands, which were presumably handled through Johnson O'Malley.

In 1953, both acts were amended to include Indian land, but several States lobbied to avoid an automatic transfer from JOM to PL 874. They wanted the right to retain JOM because they preferred its flexibility to the entitlement formula offered by PL 874. The amendment allowed States to determine which funding they would receive. A transfer to PL 874 meant an automatic cut-off of JOM. Florida and Oregon were the only two of 18 JOM States that transferred to PL 874. Oklahoma was able to receive both types of funding because their JOM was used for special services (lunches, supplies, books, transportation) rather than basic maintenance and operation.[6]

Congress again amended PL 874 in 1958 and required all States receiving Johnson O'Malley to transfer to PL 874 funding. This did not

eliminate JOM. If the new PL 874 funding was less than that previously received from JOM, those districts could use JOM to make up the difference.[7]

On September 13, 1958, the BIA revised their JOM regulations by adding the following language: CFR, Part 33, Section 33.4, Contracts with Public Schools:

> (b) The program will be administered to accommodate unmet financial needs of school districts related to the presence of large blocks of nontaxable Indian-owned property in the district and relatively large numbers of Indian children which create situations which local funds are inadequate to meet. This Federal assistance program shall be based on the need of the district for supplemental funds to maintain an adequate school after evidence of reasonable tax effort and receipt of all other aids to the district without reflection on the status of Indian children.
>
> (c) When school districts educating Indian children are eligible for Federal aid under Public Law 874, 81st Congress (64 Stat. 1100) as amended, supplemental aid under the act of April 16, 1934, supra, will be limited to meeting educational problems under extraordinary or exceptional circumstances.

Section (b) was written as if no one had ever suggested legislation like PL 874. Section (c) acknowledges the existence of PL 874 and limits eligibility to "extraordinary" or "exceptional" circumstances. These key words were never defined by the BIA, but many States and individual school districts rewrote the English language through pragmatic application. By the time these regulations were superseded in 1974, more than 95% of the school districts with eligible Indian students received both PL 874 and JOM. The other 5% were "extraordinary" and "exceptional" in that they were not eligible, and in those cases their ineligibility was determined by State plans, not by the Bureau.

These regulations were, at best, a distorted reflection of the original intent of the Act; they were an accurate reflection of administrative

control. It had passed completely from the Bureau to the States. Authority for administering Indian education had not been delegated to the States; it had been surrendered.

In 1965, the Elementary and Secondary Education Act was passed and potentially almost all Indian students would be eligible for special programs designed for the "educationally and economically deprived."

In 1972, PL 92-318 (Part A, Indian Education Act) was passed which made available additional funds available to school districts for special, supplementary categorical Indian needs.

There is no disagreement that PL 874 was initially intended to take care of general operating expenses and that Johnson O'Malley was designed for special needs. The Bureau did not perceive itself responsible for either avoiding or even checking for duplication, and the result was that until 1969 more than 90% of JOM funds were also spent for general operating expenses.

When pressure from outside the Bureau - Indian communities, organizations, Kennedy Subcommittee Report - tried to force JOM into special need programs, many States and school districts argued that JOM, ESEA, and the Indian Education Act created an excess of special services. It has been generally the goal of school districts to get the maximum amount of non-categorical, non-earmarked money with which they could make all the decisions. That's not surprising. Their wishes are not the problem. The problem is that John Collier's advice in the 1936 Commissioner's report has not been taken seriously. There has been no test for "type and quality of schools actually maintained; amount of money needed to maintain a suitable school adapted to the needs of Indian and white children; amount and value of non-taxable Indian lands; methods of taxation; amount of State support for

education; basis of distribution of State support; maintenance and capital outlay costs; changing legislation affecting school finances; distribution of Indian children; and attitudes of whites toward Indians.[8]

FOOTNOTES, SECTION II

[1]Education and the American Indian, Margaret Szasz.

[2]Ibid.

[3]Ibid.

[4]Ibid.

[5]Ibid.

[6]Ibid.

[7]Ibid.

[8]Ibid.

SECTION III. NEED. WHAT IS IT, WHO HAS IT, AND WHO DEFINES IT?

In 1972, Earl Waits, an Indian attorney with California Indian Legal Services, researched all State plans in a special project for National Indian Leadership (now Indian Education Training, Inc.). One of his conclusions was that the primary function of State plans was to enable States to define need according to their perceived self-interests. "In effect," he said, "they are writing their own private JOM law through the plans."

As stated earlier, there are now only five States that claim to need Johnson O'Malley for basic support. In 1974-1975 Nebraska claimed need for three out of five eligible districts. Arizona claimed financial need in 12 of the 17 eligible districts and they defined eligible as major impact. (Arizona State plan: 60% or more Indian, or on or near a reservation.) The five other major impact districts did not apply. They had several other districts which would have been eligible by the standards in any other State plan, but this is an example of de facto State run Federal legislation. Iowa's one eligible district used JOM to pay partial tuition for Indian students who are technically considered outside the district. State aid and PL 874 make up the rest of the Indian tuition (See Iowa summary). Minnesota had five basic support districts out of a total of 29 eligible. South Dakota had seven basic support districts out of 23 eligible.

The September 1974 JOM regulations (CFR Title 25, Part 33) set the following conditions for receiving basic support.

(2) For operational expenditures. All funds for operational expenditures shall be used to meet educational standards established by the State and only if provided for in the educational plan required by §33.4(a) and only under extraordinary or exceptional circumstances. The contract may authorize operational expenditures only when the school district establishes all of the following:

(i) That it cannot satisfy the applicable minimum State standards in the absence of such funds;

(ii) That it has made a reasonable tax effort, with a mill levy in support of educational programs at least equal to the State average;

(iii) That it has fully utilized all other sources of financial aid, including all forms of State aid, Public Law 874 payments, etc. The State aid contribution per pupil must be at least equal to the State average; and

(iv) That there exists at least 70 percent eligible Indian enrollment within the school district or within any particular school served.

Funds authorized under this part shall supplement, and not supplant, State and local funds. Each contract shall require that the use of these funds will not result in a decrease in State, local or Federal funds which, in the absence of funds under this Part, would be made available for Indian children. In no instance shall these funds be used as payment for capital outlay or debt retirement expenses.

(d) Equal educational opportunities.

(1) Contracts shall specify that State school districts receiving funds under the provisions of this Part shall provide educational opportunities to all Indian children within that school district on the same terms and under the same conditions that apply to all other students. School districts receiving funds under this Part must insure that Indian children receive all aid from the State, and other proper sources other than this contract, which other schools in the district and other school districts similarly situated in the State are entitled to receive. In no instance shall there be discrimination against Indians or schools enrolling such Indians.

Since these regulations did not go into effect until school budgets for 1974-1975 were established, it is helpful to look at the regulations

that were in effect when the budgets - including Johnson O'Malley - were set.

> 33.5 (c) Equal educational opportunities.
>
> Contracts shall specify that education for Indian children in public schools within the State shall be provided upon the same terms and under the same conditions that apply to all other citizens of the State.
>
> 33.5 (d) Uniform application of State law.
>
> States entering into a contract under the provisions of this part shall agree that schools receiving Indian children, including those coming from Indian reservations, shall receive all aid from the State, and other proper sources other than this contract, which other similar schools of the State are entitled to receive. In no instance shall there be discrimination by the State or subdivision thereof against Indians or in the support of schools receiving such Indians, and such schools shall receive State and other non-Indian Bureau funds or aid to which schools are entitled.
>
> 33.5 (e) Educational standards.
>
> The State shall provide in all schools that have Indian pupils adequate standards of educational service, such standards to be equal to those required by the State in respect to professional preparation of teachers, school equipment and supplies, text and library books, and construction and sanitation of buildings.

Although the earlier regulations do not use the word supplant, the language makes it clear that Johnson O'Malley is not supposed to replace money that would be made available by the State or other proper sources if there were no BIA money. It's worth noting that these regulations had been in effect since 1958.

Arizona - It's a simple but important concept. The "need" for Johnson O'Malley created by the withdrawal or simple absence of money that would normally be present is not only not an authentic need, it is illegal. Yet the State of Arizona which has used more basic support money than any other State has consistently violated this principle. Until 1971, JOM was used

as a substitute for State equalization funds in major impact districts. The State paid equalization on a per capita basis only for non-Indians in those districts. What should have been the Indian per capita equalization was paid out of JOM. The result is that the BIA money did not fill Indian needs or Indian district needs. It did save the State of Arizona millions of dollars.

Beginning in school year 1974-1975, the State of Arizona developed a new funding system through which the State would pay a gradually increasing share of all school district costs. Although both Johnson O'Malley and PL 874 form a considerable part of operational budgets in major impact Indian districts, under the State formula they are not counted as part of the budget cost level. The State plans to add an increasingly larger equalizing factor to this budget cost level so that at the end of the five years, districts with considerable Federal funding will catch up with non-Federal districts and achieve what Arizona calls a basic support level.

Until 1979-1980 comes around, the districts with substantial Federal funding will lose out by this system. At the same time, the districts, many of which rely on JOM for as much as 25% of their operating budget, are in "need" of basic support. A State formula that included the PL 874 and JOM actually spent during the base year 1973-1974 would alleviate that need. It is the formula, not the presence of Indian students or tax exempt land that creates the "need." (See a detailed explanation of this formula in Appendix A.)

It is difficult to see how the State funding system does not directly violate both the spirit and letter of pre-1974 and existing Johnson O'Malley regulations. Eight of the twelve basic support districts in Arizona were below the State average per pupil funding of $603.15 in

1974-1975. This is another direct violation of existing regulations. (See Appendix B.)

The State itself does not take the position that their system of phasing into actual costs over five years is justified on any long-range principle. It is a means of allowing State education appropriations to catch up to the new formula. (Interview with State Department of Education staff member, Charlotte Duvall) It is worth noting that only the heavy PL 874 and/or JOM districts are carrying this phase-in burden. It is also worth noting that there was a $6,000,000 surplus in the State's fiscal 1975 education budget.

The official position of the State relative both to the BIA and the Arizona congressional delegation has been that the Indian districts are in serious financial need for maintenance and operation. Evidence indicates that need was not created by the Bureau of Indian Affairs or any other branch of the Federal government.

Equally strong evidence, however, shows that Arizona and most other States are in critical need of school construction money. PL 815 appropriations have not approached the demands created by the rapid Indian school population growth. These needs have been well documented by the BIA, the congressional committees and HEW.

This study does not want to duplicate all earlier studies, but would like to support previous findings. More and more Indian school districts are beginning to look like trailer courts and that will get worse before it gets better.

South Dakota - In the area of school finance, South Dakota has several distinctions. It has the third highest percentage of local contribution in the country (72.0%). It has the 49th lowest State contribution

(13.0%). It has the sixth highest (15.0%) Federal contribution. It is the only State in the country in which the Federal contribution exceeds the State contribution. The State ranks 45th in the country in terms of per pupil revenues measured as a percentage of State personal income (4.4%). (NEA statistics - all 1974-1975 except the last which is 1973-1974 based on 1973 income.)

Statistics would indicate that the problem is not the lack of Federal commitment, but a lack of State commitment. They also ranked seventh in the country in per capita property tax revenue of local government ($256). (NEA statistics 1972-1973)

One can assume, therefore, that districts that have neither a high Federal income or large amounts of assessed valuation will be in financial trouble.

Of the seven districts which received JOM for basic support in 1974-1975, the two (Smee and Todd) with Indian majorities had the highest revenues per pupil measured three ways: (1) counting all sources; (2) counting all sources but JOM; (3) all revenue excluding categorical aid (see State report, Appendix A, and charts, Appendix B).

Only one of the seven districts (Sisseton) was below the average per pupil revenue of the State, and that district has an Indian population of 35%. Since only 12% of the district land is non-taxable, it's difficult to see how their financial problems have been caused by either Indian students or tax-exempt land. Their Federal revenue represents 43% of their income - well above the State average of 15%. Their State revenue is 21%, well above the average of 13%. Their local revenue is 36%, well below the State average of 72%.

This pattern follows for the other four basic support districts

ranging in Indian population from 18% to 47%. They are all above the State average in their Federal share, and below the State average in their local share. It would be easier to argue that their financial need resulted from having too few Federally connected Indians.

Current JOM regulations requiring 70% Indian attendance were waived for five of the seven South Dakota districts. In view of their low percentage Indian populations and overall financial situations, it's difficult to see why the regulations should not be enforced in these districts. If their financial problem is caused by the lack of affluence among non-Indian taxpayers, and the State does not solve this through an equalization plan, there is no evident justification for a Bureau of Indian Affairs solution.

Iowa - Iowa has a unique situation which is described in their Appendix A State report. Their complexities transcend discussion, and their issues have no parallel. No one can compete with them for need, however, because under their present legal/non-legal/extra legal status of conflicting and duplicate jurisdiction, Mesquakie Indian students would not be allowed to attend public school without partial tuition payments from JOM.

Nebraska - Nebraska, like South Dakota, occupies some interesting places in national statistics. They rank 35th in total revenue per pupil ($1,156 - est. 1974-1975). They rank dead last in school revenue as a percent of personal income (4.0%). They rank first in the number of districts 1,208, but 32nd in ADM 316,751. They are fourteenth in percent of income from the Federal government (10.6%), sixth in percent of local revenue (66.5%) and 48th in percent from the State level (22.9%). They also rank last in local and State education revenues as a percent of personal income

(3.8%) (All statistics, 1974-1975 estimates from NEA).

There is a State policy of frugality relative to education costs. They would seem to believe strongly in local control with local and Federal financing.

The Indian districts are all hurt by the lack of State funding, but it would be optimistic in the extreme to imagine that Nebraska will change its policy to meet the needs of 763 Indian students who represent .002 of the Statewide student population. Unlike their western neighbor, Nebraska's formula does not discriminate against Federal districts, it discriminates against all districts that don't have a substantial tax base.

District	State/ Pupil	Local Taxes/ Pupil	PL 874/ Pupil	Local Taxes + PL 874	Indian	Average/ Pupil, Counting All Funds But JOM
Macy	423	38.88	569.63	608.51	99	1,562.02
Santee	249	59.89	351.60	411.49	97	789.82
Winnebago	391	308.00	471.42	779.42	85	1,519.61
				Avg. Local Taxes Only		
State-wide Average	265	768.74		768.74	.02	1,156.00

We are trying, so far unsuccessfully, to find out why Santee's funding is below the State average. Even if it weren't, their total funding would be well below the State average. They are in unmistakable financial need by every definition. Both Winnebago and Macy are above the State average per pupil revenue without Johnson O'Malley and both exceed the mean average pupil per district in Nebraska (262).

The chart shows that in Macy and in Santee, PL 874 funds combined with local taxes still leave the per pupil funding below the State average

for local funds. Many people, this writer included, had believed that such a situation was only a figment of early BIA regulation. It can happen in Nebraska because the local contribution is so extraordinarily high. Although this situation can temporarily justify the use of Johnson O'Malley, in the long run, it opens up another issue: maximum use of PL 874. There are generally four formulas: (1) one-half of State average per pupil expenditure; (2) one half of classes of State average per pupil expenditure, e.g. all elementary schools, all high schools; (3) one-half the national average if higher than the States; (4) direct comparison with available local funding in five comparable school districts within the State.

This last formula requires the most work, but it also produces the highest revenue. Montana districts, which probably use this system more effectively than anyone else in the country, have generated more than $1,400 a student in some districts. Given the high local contribution, it would certainly seem to give Nebraska's Indian districts a considerable boost in impact funding.

This fourth formula has not been used in many of the States and districts that would seem to need it most urgently: Nebraska, South Dakota, Arizona, Iowa - all the basic support States discussed so far. The only apparent reason for it is lack of proper technical assistance. PL 874 applications, unlike almost all other Federal applications, are processed directly through individual school districts to Washington. Most rural school districts do not have enough people (1) skilled in intricacies of Federal funding. The role of the State 874 office varies from exceptionally active and helpful (Montana) through that of simple record keeping (Arizona) to the non-existent office (South Dakota). This issue will be discussed again in the section on recommendations.

Minnesota - Some key statistics show a sharp contrast to South Dakota and Nebraska. Minnesota ranks 12th ($1,577) in total per pupil revenue. They are 5th (6.4%) in per pupil revenue measured as a percent of personal income. Their local percentage of contribution is 37.1 which places them 35th, their Federal contribution is still lower (4.7%), 45th nationally, and their State percentage of contribution ranks 8th nationally (58.2%).

They have a very high Statewide commitment, and they are phasing in an equalization plan to be completed by school year 1977-1978 which takes credit for local resources, but not for PL 874. They also have a supplementary funding formula based on the percentage of district enrollment receiving Aid for Dependent Children.

Red Lake and Nett Lake (see Appendices A and B) are both well above the State average in per pupil revenue before they get Johnson O'Malley. In fact, both are above the 85th percentile within their State. If their funding is based on factors other than school district financial need, it is outside the scope of the present Johnson O'Malley law and regulations.

Mahnomen and Waubun are both school districts with a minority of Indians (11.4% and 19.0% respectively) and therefore outside allowable percentages for Johnson O'Malley funding. Both districts are below the State average funding, but presumably will not be when the equalization process is completed in three years. The basic support money ostensibly goes through the district directly to all-Indian schools. In both instances, there had been a move toward consolidation and the Indian schools were able to maintain themselves as separate entities only if they were to obtain BIA support for the increased, relatively uneconomic per pupil

expenses necessary for their community schools.

This raises several questions: (1) What is the system used for guaranteeing that JOM funds do not supplant district funds that would otherwise be available to the Indian schools? There does not seem to be one; (2) Even if the expenses for a small rural school are higher, why is that a BIA problem? In most districts small, isolated schools require higher per pupil expenditures. When they are non-Indian schools, the district simply makes the necessary funding available. Why don't they do the same in Indian schools? If they accept the existence of the community school from an educational point of view, why don't they accept the attendant financial responsibilities? Both schools have considerable funding available to them through categorical aid: Title I - ESEA; Title IV - Indian Education Act; JOM supplementary.

Pine Point is unique. They are a district within a district; they have complete local automony; they have 100% Indian enrollment; and they have special status as a community experimental school. Their Federal funding constitutes 84% of their total revenue, the highest percentage of any Indian district in the country. Their State share amounts to $475 per pupil as compared with a State average of $918 per pupil. They have no local revenue and $463 per pupil from PL 874. Johnson O'Malley constitutes 57% of their budget ($166,965). JOM contributes $1,653 a student. No other district in the country comes close to this funding level.

Without JOM they would have $1,225 a student, well below the State average, and as far below the average of schools their size as to make them disfunctional. Clearly this school was put together with JOM as the planned major source of income. If JOM were removed tomorrow, the district would collapse.

Legally this is a public school that is a part of the Minnesota system created by the State legislature. Financially it is a Federal school. It has no local revenue and its State share is less than the State's normal Part A, 874 payments. They have reversed the pattern of funding shares.

Paradoxically, because of the low Statewide commitment to this school (slightly more than half of the State's average), the district is technically ineligible under the new regulations. The very funding level that makes Johnson O'Malley essential also disqualified the district. Obviously a short-range solution is to waive the regulations. The long-range solution requires some Federal planning and Federal commitment.

If the Federal government is going to be in the business of providing base foundation programs for alternative or community schools, and they are when they provide 84% of the funding, they should make a real commitment to it so that those schools can have predictable and adequate funding. They should not, however, consider this funding in the same category as general JOM funding. There is no real justification for providing $1,600 per pupil to one school and $160 or $140 per pupil to another under the same legislative intent. It is unfair both to the competing low funded schools and to the schools that need a foundation for survival.

This same question should be examined relative to the schools within districts in Minnesota that need additional Federal support to maintain a separate identity. If they have become Federal schools for financial purposes, they too should be asked if they need new legislative authority and another kind of Federal school system.

All Others - Those Not In Need - If these 28 districts are in need, who isn't? Answer. Everybody else. None of the other districts have a declared need for Johnson O'Malley programs, not because they are all relatively affluent by comparable standards, but because their lack of need has been defined for them. There are several ways of deciding against this need. (1) The most common, by far, is the State plan. Their States tell them that there is sufficient money; this is because they read their State constitutions "providing free public education to everyone" as meaning just that, e.g. New Mexico. Other State plans (Montana, Washington) forbid spending money for basic programs because they have an equalization program, or are moving toward one (Montana, New Mexico). Still others take the position that all districts within their State have sufficient funds (however they got them) to run a basic support program (Nevada). (2) Community pressure within the State (e.g. Oklahoma) moved the State to take the position that there was simply no way to justify not providing a basic program for all schools and that, of course, included Indian schools. (3) New York State has a formula (Senaca Falls Formula) which guarantees districts 100% operational and maintenance funding for all New York State reservation children. They could hardly do this and then claim basic support need from Johnson O'Malley. (4) There are districts within the State of Arizona that have excluded themselves, not because they considered themselves excessively wealthy but because the State plan required a tax levy equal to the State average and they did not wish to ask for it.

One clear conclusion of this study is that the philosophies, attitudes, legislation, funding formulas and policies of the States determine whether or not there is a declared need for basic support funding.

The position of the Bureau has been simply to respond to the positions of the States. This has been true whether Johnson O'Malley funds are run by and through the State or through intertribal corporations. Nebraska and South Dakota had the first two intertribal JOM contracts, but both inherited long established, basic support funding patterns.

However well informed, competent or aggressive Indian communities might be, they cannot simply turn around State policy or shape legislative action. Arizona and South Dakota have the highest percentages of Indians in the lower forty-eight, but both are basic support States with highly questionable commitments to Indian education.

States that have no substantial equalization policy at all and by default discriminate against impoverished non-Indian districts are not likely to develop programs that will give adequate basic support to Indian districts.

Most of the State arguments for basic support need are at least anachronistic. Testimony before Senate Interior Subcommittee from the States of South Dakota and Arizona (December, 1974) centered around need resulting from tax exempt land, but carefully avoided any mention of PL 874. School administrators interviewed over the past several years have been almost unanimous in their praise of PL 874 as representing consistent and predictable funding. The districts in which it doesn't produce more income per pupil than local funds per pupil either within the district or on a State average are extremely rare. Macy and Santee were the only basic support districts where we found this to be true. Since those districts operate on 79% and 78% funding respectively, they are for financial purposes, Federal schools and will be considered in a separate recommendation with Pine Point, Minnesota.

As mentioned earlier, it is also difficult to see how a district can claim basic support need until it has used the maximum formula for PL 874. Most small districts couldn't begin to do this without adequate technical assistance. This will be discussed in the recommendations.

Systems of Supplanting - There is no Webster definition of supplanting that is appropriate to the school finance context. There is also no uniform school finance definition. When the word is used here it means: funds which were intended to increase the total available money to a school or school district were in fact used not to add to the total, but to replace other funds.

An unknown Indian participant at an Arizona Johnson O'Malley conference in March of 1974 posed the following question: "If a school district is almost completely Indian, what difference does it make and whose business is it if they spend money for basic support instead of special programs?" Apart from problems this creates with the distribution system that will be discussed in a separate section, the answer has to be that there is no problem with that as long as the money is additional money and is not simply supplanting.

Uncovered systems or devices for supplanting will be listed here in no particular order, either of subtlety or frequency. (Note: basic support districts have not cornered the market.) (1) Formula replacement or State money that is available to non-Indians, e.g. the Arizona equalization formula in effect until 1971 which paid equalization on a per-capita basis only for non-Indians within major impact districts. What would have been the Indian share was paid out of JOM. (2) In a district where there are Indian and non-Indian schools, using operational money to pay expenses at the non-Indian schools and billing JOM for the same expenses at the

Indian schools. (3) Using Johnson O'Malley funds to run programs, supposedly supplementary, but actually required by State minimum standards. (4) Running genuinely supplementary programs with Indians and non-Indians and paying a pro-rated non-Indian portion out of ESEA, Title I when all or most of the Indians involved are also eligible for Title I. (5) Not counting JOM or PL 874 as district cost levels to be funded by a State plan when both are in fact used as part of the basic costs. (6) Using district funds to increase per pupil levels at non-Indian schools because of special circumstances, e.g. small enrollment, isolation, etc., but using JOM funds to accomplish the same purpose at Indian schools. (7) Operating a kindergarten program (even if 100% Indian) in a State where kindergartens are above minimum standards and paying all expenses out of JOM while collecting PL 874 funds for the same students without using any of them for those students.

This list is probably not definitive, but it represents forms of supplanting discovered through this study and previous studies by Indian Education Training.

Federal Responsibility and BIA Responsibility for Indian Education in Public Schools - Public systems of education have all been established by State constitutions or legislation and not by Federal law. All public schools in the United States operate under State and not Federal authority.

All States except Mississippi and South Carolina have compulsory attendance laws. All States provide free public education for all persons between certain ages (usually four or five and twenty). No State law or constitution says, "except for Indians."[1]

These statements are all obvious, and, yet, in many States and communities, providing public education for Indian students is seen as not

only dependent on Federal funding, but depending on a floating and flexible definition of adequate Federal funding.

In April, 1972, the Deputy Superintendent of Schools announced through the Arizona Republic Wednesday, April 19, 1972 that unless the Bureau produced another 1.1 million in basic support (in addition to their allocated 3.5 million in basic support) 15 Indian districts could be forced to close down. Again in March, 1975 at a Johnson O'Malley conference in Phoenix, a group of conferees composed primarily of Indian district superintendents, taxpayers (a euphemism for utility and mining company representatives), and county and State school representatives, a resolution was introduced and passed that would close all reservation schools in Arizona unless the BIA came through with the proper amount of basic support funding.

Both these incidents could be laid to rattling the collection plate, but they are significant. There is no record of any State or school district hitting up the Department of Defense because they aren't satisfied with the PL 874 payment levels from military bases. No outsider threatens to close down school districts because they have a low assessed valuation. Attempts to close school districts or schools to avoid integrating black students have all been declared illegal. In any case, no one claims openly not to want Indian enrollment - as long as they bring the right amount of their own Federal money.

For totally different reasons, this school economic discrimination within States or districts is sometimes supported by tribal councils or Indian communities. They are accustomed to dealing with the Bureau of Indian Affairs and other Federal organizations. Dealing with a legal structure that is solely within State jurisdiction feels neither familiar

nor necessarily desirable.

The Bureau of Indian Affairs has no role whatsoever within the structure of State education systems unless the State agrees to give them a role. If the Bureau disapproves of the State's rejection of them, there has been nothing they could do except threaten to withhold all Johnson O'Malley money. That clearly would be an idle threat since the Indian community would hold the Bureau responsible for withholding services. Most States have a built-in public relations edge over the Bureau. Indian communities expect almost nothing of them.

Insofar as the Bureau of Indian Affairs and Indian communities accept the idea that maybe they're not altogether entitled to free public education under their State laws and constitutions, the demand for BIA plugging of financial gaps, whether real or imagined, will continue.

Recommendations for Remedies - (Note: this section will not include Johnson O'Malley distribution or funding recommendation which will be treated separately.) (The first recommendation comes out of a time priority. It is recommended that the issues and recommendations in this study be read and considered by the Bureau in the final draft of JOM regulations.)

I. Legislative Recommendations

(a) Legislative authority and appropriations for Indian community schools. There are presently six public school districts in which the majority of the revenue is Federal. Pine Point, Minnesota 84%; Macy, Nebraska 79%; Santee, Nebraska 78%; Winnebago, Nebraska 59%; Smee, South Dakota 72%; Todd County, South Dakota 64%.

It is recommended that the Bureau and HEW consult with tribal representatives and Indian community representatives and educators from

these areas to discuss legislation that would make possible the creation of an alternative structure for Federally sponsored community schools. This should also include legal help with experience in this area, skilled school finance people, and representative and technical assistance organizations such as the Coalition of Indian Controlled School Boards.

(b) It is recommended that a conference both for the purpose of discussing issues and developing possible legislation be held with all tribal and education representatives of reservation public school districts that have an Indian enrollment of over 70%. This should be sponsored jointly by the BIA and HEW and should include the technical assistance people and interest groups mentioned above.

(c) That part of PL 93-638, Title II, Part A that calls for the pro-rating of funds when Indians and non-Indians are served should be eliminated. There is no such thing as non-Indian funds. Any integrated program should be funded with integrated funds.

II. Administrative Recommendations

(These do not deal with the question of funding formulas which which is handled separately.)

(a) The Bureau should familiarize itself with, defend and enforce its own regulations. In those instances when regulations are being waived, they should do so openly and give reasons why. Regulation requirements should be waived only on an individual basis.

The pre-1974 regulations usually were treated with an authority customarily reserved for the tablets of Mt. Sinai. The new regulations are either impossible to recollect or dismissed as the work of outsiders - possibly foreigners.

The Bureau should pay particular attention to those sections of

the regulations that say the money does not have to be spent within a public or private school. The JOM Act of 1934 never used the words "public school." It said, "contract for the education of Indians."

(b) The BIA should immediately institute a personnel system that would place at least three full-time professional JOM staff people in Area offices. There should also be support staff. The actual number would be based on relative activity within that Area.

In Window Rock, Arizona the BIA now handles 15 separate contracts, one for each school district. That situation was the fundamental rationale for passing JOM legislation in the first place.

Decisions as to where Johnson O'Malley funds can most beneficially be spent should be left to the Indian community through their contracting group. Present regulations specifically allow this.

(c) The BIA should undertake a thorough and long-range training program for all BIA employees. It's interesting that U.S. postal employees are required to take tests to qualify as letter carriers, but BIA employees who handle millions of dollars in JOM funds are not required to have either previous or working knowledge of issues involved in their jobs. This is not to say that some are not wholly without relevant information or skills; it is to say that the BIA needs a formal training system both for dealing with public school districts and State Departments of Education and for helping to plan programs outside of public school systems.

The training course should include: Federal school law and regulations (with particular emphasis on JOM and PL 874); State school laws by Area; school finance, taught by experts; curriculum development; history of education, particularly Indian education in their Area.

(d) One pre-determined result of this training will have to be

an alteration of the review system. Public schools operate on a year-to-year schedule. They have no choice. They are dependent on State legislation and appropriations (usually not ready until late Spring) and teacher contracts (also late Spring).

The BIA operates on a Federal two year cycle. They don't match. It is not possible either to plan programs supplementary to a main budget or to fill gaps in a main budget before the main budget exists. Home builders understand this principle. One rarely sees second floors of homes in place before the first floor has been built.

(e) It's difficult to see why the Director of Public School Relations and the Johnson O'Malley Director are set up under the authority of an Albuquerque office that deals only with BIA school issues. It is recommendated that this office be placed immediately under the Director of Education.

(f) The Bureau should test to see that school budgets, documents, proposals, programs presented to them are the same as those presented to the school boards, the auditors, and the State Department of Education.

Three years ago the Phoenix Area office defended the funding of school districts not on the basis of their actual budgets, but on the basis of "hidden costs." Since the costs were also "hidden" from the Bureau, their budget support constituted a leap of faith that would draw hosannas from theologians, but serious head scratchings from the accounting brethren.

(g) Having been trained and educated themselves, the BIA JOM people should in turn train tribes, communities, and in some instances (PL 874) school administrators. They should be able to provide technical assistance on an ongoing basis that will enable Indian groups both to deal more successfully with public school systems; and, when that cannot be

done, to assist in planning education programs outside of the school system.

FOOTNOTES, SECTION III

[1]The Law and Public School Operation, Peterson, Rossmiller Volz.

SECTION IV. SECTION 104

A. With few exceptions, districts that have received basic support money have received considerably higher funding than those that have used the money for supplementary purposes. It sounds justified. If you can't run a school at all without any amount of money, you certainly need it more than a special, supplementary program that has its basic program and needs only extra money. By extension, since basic support claims produce more money, why shouldn't Indian communities back claims of poverty without worrying about whether they're justified or not.

The first announced formula under the September, 1974 regulations took all proposed basic support payments off the top of the appropriation and then divided the remainder based on a State cost factor times pupils served (or projected) and gave these supplementary funds to the basic support schools as well. There have since been two other projected formulas, but the principle of taking basic support off the top and also distributing supplementary funds has remained intact.

In the past although the districts receiving basic support seemed to have more money, supplanting was so widespread that more often than not there was less money that could be used for Indian education than in supplementary districts with lower allocations. (Comparison of BIA funding, State formulas and programs for Navajo districts - New Mexico and Arizona, 1970-1971.)

1975, however, guaranteed that basic support districts would have the same allocation as all others with similar State averages plus all basic support money.

It does not take advanced study in economics to know that more money is better than less money, and Indian tribes and communities have been put in the tactical position of supporting their school districts' cries of poverty caused by Indian enrollment, whether those cries could be justified or not. Those who don't, or more often who can't because of State policy have to stand at the back of the line and pick up left-overs.

Pine Point, Minnesota with its 54% JOM funding in excess of $1,600 per pupil on JOM is operating on a commitment from the Bureau of Indian Affairs to provide massive foundation program style funding. Unless or until there is new authority, the Bureau should honor this commitment. It should be a part of a separate distribution system independent of the JOM formula. If there are other schools whose economic structure has been built with a heavy JOM commitment, that too should be honored - also out of a different pot.

Indian districts that have far more than the 70% Indian enrollment required for basic support, rightly or wrongly - usually the latter - relied heavily on JOM support and it now constitutes up to 25% of their operating budget. A sudden removal of all funds might leave them in a serious jam and many probably need bail-out support. This, too, should come out of a separate allocation and not off the top of Johnson O'Malley. It's not possible to generalize about these districts. Their cushion, if really necessary, should be considered on an individual district basis.

If the State of Arizona altered its funding formula and gave school districts State funds based on their real expenditures (i.e., including 874 and JOM) in the base finance year (1973-1974), they would receive more basic support than they were scheduled to receive from JOM under the highest

basic support allocation. There are rumors of lawsuits that will force Arizona to do just that. The Bureau should be familiarized with the issue.

The Bordertown - peripheral dormitory program has also been funded under JOM, and this too has created funding inequities because the program has been based on a need for full basic support (and frequently then some) through tuition. Until 1975 no supplementary program funds were allocated for these students, and no educational plan was required. All contracts have been in the Southwest and all were negotiated through the Window Rock Area office.

This program has been a victim of excessive generosity. In Albuquerque, 200 New Mexico Indians who boarded at the Albuquerque Indian School were enrolled in the Albuquerque school system. They were charged tuition at a rate that was $300 a head above the Albuquerque average, in spite of the fact that the State also paid 75% of the real cost. The result was that the school made a net profit of $825 for every New Mexico Indian student. PL 93-638 will ban a part of this new bounty hunting by providing only for tuition payments for out-of-State students. The rest of the issue will be discussed under administrative recommendations. As with basic support districts, this program should be funded from separate allocations, and supplementary programs should be available as they are for other JOM Indians.

B. Distribution of Supplementary Funds

The distribution of JOM funds has mystified statisticians (professional and amateur) for years. Several years ago many BIA people defended disparities by pointing out (accurately) that it was a need program, not an entitlement program. The difficulty with that explanation was either the absence of any definition of need or widely different

definitions for each Area office.

A recent study by two school finance experts (M. David Alexander; Richard Salmon) found no patterns or correlation between funding levels and any definition of need. In most cases, the "need" was determined by State policy or the lack of a State policy and local definitions were made up after the fact to justify the random non-systems.

Since no one within the BIA defends the old system, there is no need to pursue earlier problems any further. It may be appropriate, however, to squelch the recent rumor that the Bureau Central office hired a special consultant who arrived at the national figures by reading the entrails of wild turkeys at the stroke of midnight.

Since the Johnson O'Malley Act and its amendments essentially provide contracting authority for the Bureau for the educational needs of Indian students, four questions are posed. (1) Whose need? (2) How will need by defined? (3) Who will define it? (4) How can the funds be distributed most fairly? It is important to emphasize that JOM has not and should not be distributed in a manner similar to Title IV, Part A funds because it is not a public school entitlement in any way.

Who is eligible? Pre-1974 regulations tied JOM eligibility to the presence of large blocks of tax exempt land, on or near reservation residence, and public school need.

These regulations were seriously misleading on two counts. They ignored the real effects of PL 874 and implied that tax exempt land automatically created a financial problem. The charts in Appendix B and the Management Associates' study demonstrate clearly that this is not necessarily true. The second problem, related to the first, arbitrarily converted JOM into a program solely related to declared public school needs rather

than Indian needs.

The 1974 regulations correct these problems in two ways: they remove the anachronistic large blocks of land requirement and they state clearly that the money need not be spent in public schools.

The present system is logical and looks simple. Indians who are eligible for other Bureau services are eligible for Johnson O'Malley. That sounds obvious to the point of being superfluous, but it's not. Eligibility was previously determined by State Education Departments and school districts, e.g. if an Indian student from a reservation went to a school in Arizona that did not want to tax at the State average, that student received no JOM benefits regardless of how great his need might have been. Indian students who were eligible to go to BIA schools, eligible for BIA college scholarships, and eligible for graduate scholarships were not eligible for Johnson O'Malley only because of State and school district policies, and because the Bureau responded to that system and not to Indian needs. North Carolina Cherokees and the Iroquois of New York are eligible for BIA services, but they have not received JOM.

The simple injunction, "serve who you serve," and simple justice do, in fact, lead to an expanded service population. This has, unfortunately, produced some unfortunate debate within the national Indian community, at least some of it based on the old concept of public school entitlement wherever Indians appear.

Blatant self-interest - if more people get into this pie, my slice will be smaller - assumes that appropriations will be static. This philosophy - which can be summed up as, "right or wrong, I lucked out - to hell with you guys," may be understandable, but it cannot form the basis of a national policy. Apart from that, it is a mistake to plan on the assumption

that JOM appropriations will be the same in spite of the fact that the level for the past five years has not even kept up with Indian student population growth or the inflation of education costs. Given the paucity of documented change from JOM, it has been extremely difficult to argue for increased appropriations. On local levels there are frequently success stories and indications of positive change. The national information is skimpy. Some contractors have given encouraging and detailed reports, some submit two pages to explain how $2,000,000 was used, many submit no narrative reports at all. The same pattern has been true of financial reports. It has been difficult, if not impossible, to track the money spent under many of the contracts.

A well documented program, designed to serve Indian needs, does not guarantee increased funding. It radically increases the funding possibilities.

A real if unwarranted fear of the new service population is that boards of education in places like Chicago, New York, and Los Angeles will begin to count whatever can possibly pass for an Indian head and corner a major share of the money. (The size of the initial Spring allocation for New York State fed those fears, even though all the money was scheduled for reservation areas and none for New York City.) No board of education, particularly those in large urban areas, is entitled to or should have a per capita JOM allocation. The trick, simple in concept but complicated in execution, is to arrive at a distribution system that will make it possible for all parts of the country to have sufficient funds to meet Indian needs.

If a national per capita distribution is unjustified, so is the system called for under the 1974 regulations. Making available funding to all States based solely on their average educational costs produced an

anti-equalization program difficult to defend. Example: New Mexico has the second lowest per capita income in the country and ranks (31st) well below the national average in revenue per pupil (NEA statistics). It ranks third in the country in terms of public school revenue as a percent of personal income. There's not a lack of commitment to education. The State is simply poor. Should Indian students in the State therefore be penalized by receiving considerably less money than in another State which may have more total wealth, but is not even trying.

In fact, one could argue the converse. If an Indian student lives in a State that is above the average in income, but below the national average in commitment, should he be penalized.

Giving all States the same amount of money might have some equalizing effect, but it would be disastrous for a State such as Alaska where the educational costs are truly prohibitive. (The average salary of instructional staff in Alaska for 1974-1975 was $16,906 as compared with $8,338 for Mississippi.)

Nothing would be totally just, but a system that would make available to contractors funds based on State or national average would combine a large measure of equity with simplicity and predictability.

The charts in Appendix C give projected figures for this. One inherent problem is that no one presently has an accurate count of the number of eligible Indian students. For this reason, the charts come in sets of two - one with the existing JOM population, the second with a projected increase of 20%. The first two show allocations based on the present amount of JOM supplementary funding. The second two show allocations using the present total JOM appropriation. The third two show funding levels at 25% of total educational costs. The last two show levels at

50% of total educational costs. The last two represent a marked increase in Johnson O'Malley funding, but assuming the presence of the recommended reporting system, a significant increase is necessary if there are going to be results that can be reported.

One could go further with the distribution system and recommend allocations within contracts, providing for exact funding for each community or school district. This idea should be rejected. It would be both presumptuous and impractical to attempt this. Two years ago a New Mexico school district received $600,000 in JOM funds to meet special Indian needs. The district was then 84% Indian and they received the requested money even though they had a cash surplus of 2.2 million dollars which represented more than 25% of their total budget. Contractors should have the option both of not giving funds when that will be meaningless or of giving funds in varying per pupil amounts when there is justification. Obviously, in a State such as Alaska the costs of educational services in Anchorage are considerably lower than on the North Slope. The contractor should have the freedom to deal with this issue, although no contractor should have the right to exclude or drastically short-change students without justification.

Distribution within a contract would also reinforce the practice of treating Johnson O'Malley as a school district entitlement because the BIA would be determining funding before any Indian need had been established. Powers given to Indian committees both by regulation and law clearly indicate that even if all available funds go into a local public school system, there will no longer be a determination of needs without the involvement of the local Indian community. A precise district-by-district allocation would have the effect of seriously weakening all the new leverage.

This proposed distribution system is admittedly crude. It does

nothing more than move toward equalization and at the same time take account of educational costs as they relate to average State costs. It is not a per capita distribution and although it makes available funds to meet needs within a contract, the decisions on how to define and meet those needs is left up to the contractor (as long as it can be justified).

It has been recommended before and is now being again recommended that the Bureau explore funding formula questions further with people who are acknowledged experts in school finance and can raise and hopefully solve some questions that are outside the limited time and resources of this study.

APPENDIX A

STATE SUMMARIES

I. Introduction

This section provides individual summaries for the States of Iowa, Minnesota, Nebraska, South Dakota, and Arizona of State practices in public school finance and of individual revenue conditions in the school districts which receive Johnson O'Malley basic support. State issues include the level and method of providing State aid to public schools, State aid for transportation, assessment practices, and statutory limits on local levies and bonded indebtedness. Local issues include school district revenues and local community or tribal desire to maintain separate Indian school districts or Indian schools within predominantly non-Indian school districts.

Appendix B provides tabular summaries of data referred to in the analysis and explains the sources used for all data.

II. Iowa

The basic support issue in the South Tama Community School District is not need but rather distribution of responsibility for the pupils living on Indian land. The Bureau of Indian Affairs and the school district now share that responsibility.

Although entirely within the boundaries of the South Tama school district, the Mesquakie land is not considered part of the district.[1] The Mesquakie Tribe has resisted attempts to incorporate their land into the school district. In 1968 the Bureau of Indian Affairs attempted to close its day school on the settlement. The Mesquakie Tribal Council obtained an injunction from the Federal District Court in Cedar Rapids preventing the closing. The court approved a final disposition in which the Bureau of Indian Affairs continued to own and maintain the physical plant while the South Tama school district operated the instructional program. The instructional program continues to be funded by a combination of Johnson O'Malley basic support revenue, PL 874, and revenue from the State of Iowa's Foundation program.

Indian pupils attending the schools outside Indian land are supported by PL 874, State Foundation funds, and Johnson O'Malley basic support. The BIA Minneapolis Area Office indicated that the Johnson O'Malley amount is determined by taking the cost of a program (roughly $1,300 per pupil in high school, $1,100 per pupil in elementary school) per Indian pupil, then subtracting the revenue per Indian pupil received from the State and from PL 874. The Bureau of Indian Affairs pays the difference, which can be

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[1]South Tama Community School District Desegregation Status Report. July, 1975.

considerable. The State provides roughly $580 per pupil and PL 874 roughly $250 per pupil. The low PL 874 amount results from the large percentage of category 3-B pupils. While the BIA does not consider its contribution to be "tuition" (since the amount is less than the "out of district" pupil would have to pay), the funds essentially serve that purpose. The Johnson O'Malley financed "tuition" is simply reduced by the State and PL 874 contribution. Without Johnson O'Malley support, the tribe is still required to pay the district the difference between the costs of educating Indian pupils and the amount received from the State and PL 874. When, in July, 1975, the South Tama school board temporarily withdrew as a contracting party, it indicated that: "Indian students who live on the Settlement are welcome to attend the South Tama School District as they have in the past. Their attendance will be subject to assessment of a tuition cost."[2] It is clear that the South Tama school district makes no major financial contribution to the education of Indian students.

The district is able to avoid financial responsibility because of the ambiguous legal situation. Since the tribe has resisted being considered part of the district, no one has pressed for a legal opinion about this relationship. The Mesquakie Tribe and the Bureau of Indian Affairs have "a good working relationship" with the district. Since the district makes an attempt to accommodate Indian needs in program development and selection of library materials and since the Indian drop-out rate in the past few years has dropped to 4% to 5%, all contracting parties appear satisfied with the arrangement.

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[2]Correspondence between J. L. Nichols, Superintendent, South Tama, and P. A. Melchior, Area Education Program Administrator, July 15, 1975.

It is the ambiguity of the question of responsibility that enables the district to qualify for basic support. Indian pupils comprise only 9% of the student population. The district per pupil revenue available from State, local, and PL 874 funds is $1,041, slightly higher than the Iowa average per pupil expenditure of $1,000. Thus need and impact are not factors.

Federal funds allow for diffuse responsibility. Although the district counts Indian pupils in order to obtain PL 874 and State funds, it does not appear willing to count them as a district responsibility. The tribe's desire to remain separate, and possibly to maintain its relationship with the Bureau of Indian Affairs, allows the condition to go unchallenged.

III. Minnesota

The State of Minnesota insures a "standard cost" per weighted pupil unit for every school district. The "standard cost" is not a minimum figure but is an attempt to approximate educational costs. The base figure, the 1971-1972 estimated annual cost, is increased annually by the legislature. In 1973-1974 the formula insured that each district would receive $788/weighted pupil unit. In 1974-1975 it insured $825/ weighted pupil unit.

As a result, State foundation aid rather than the property tax is the main source of public school income. The State's share is determined by subtracting the amount a district can raise from a 30 mill levy on its EARC valuation (EARC valuation is an adjusted valuation made comparable from school district to district by the Equalization Review Committee) from the district's total cost figure. The cost figure equals the district's number of pupil units times the year's standard cost. In determining what the district can pay, the State does not count revenue from PL 874.

The distribution formula provides for special costs resulting from "educational overburden" (a term operationally defined as a percentage of children from AFDC families) by allowing additional weightings for each AFDC child on a sliding scale according to the percentage of AFDC pupils in the school district. The legislature recommends that these funds be spent on the primary grades and requires that they be separately accounted for. The formula also cushions the impact of decreasing enrollment and provides for start-up costs in districts with rapidly increasing enrollment. Any school district can levy more than 30 mills for operational expenses if the voters approve.

Minnesota has equalized the financing of transportation costs. Every district must levy one EARC mill to finance authorized transportation costs. The State pays the balance.

Districts also receive differential payments from the State, for example an agricultural property payment which allows the district to reduce its local levy for operational expenditures and emergency aid for districts which face unusual difficulties not accounted for under present law.

The latest year for which comparative data on Minnesota school districts is available is 1973-1974.[2] In that year expenditures ranged from $849 per weighted pupil to $2,851 per unit. The mean was $1,248. In that year, Red Lake spent $1,864 per unit, more than that spent by over 95 percent of all Minnesota school districts. Expenditures per unit were not reported for Nett Lake and Pine Point. The two basic support districts with a minority of Indian pupils, Mahnomen (23% Indian pupils) and Waubun (41% Indian pupils), spent slightly less than the average - Mahnomen spent $1,036 and Waubun spent $1,167 per unit. Federal revenue, 57 percent of its 1973-1974 budget, enabled Red Lake to spend substantially more than the average district.

1974-1975 data[3] shows the impact of Johnson O'Malley funds for the five districts. The following table shows total revenue per pupil, revenue excluding JOM per pupil, and revenue excluding all categorical aid but including PL 874 per pupil.

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[2]Update, Vol. 8, No. 6 (July, 1974). Minnesota State Department of Education.

[3]See Appendix B for discussion of data sources.

District	Total Revenue Per Pupil	Revenue Excluding JOM Per Pupil	Revenue Excluding Categorical Aid
Mahnomen	1,324	1,290	1,041
Nett Lake	4,372	3,413	3,068
Pine Point	2,878	1,720	2,608
Red Lake	3,703	3,326	2,252
Waubun	1,508	1,467	1,292

Since Nett Lake, Pine Point, and Red Lake districts are located on non-taxable Indian land, they receive substantial PL 874 revenues. Minnesota does not count PL 874 in determining the amount of State aid, thus these districts have substantial resources available even when JOM and other categorical aid revenues are excluded.

In Mahnomen, Pine Point, and Waubun, JOM basic support enables districts to maintain separate schools for Indian pupils. Mahnomen is a rural district on the edge of the reservation. In 1971-1972 district consolidation incorporated the school at Naytawash into the Mahnomen district. The district wanted to close the Naytawash school, arguing that per pupil costs there were too high to warrant maintaining it. However, the Indian community wanted to maintain the separate school. The facilities were relatively good, and the community did not want to bus its elementary children farther away to schools where they would be in the minority. The community then negotiated for basic support which compensated the district for the higher costs reportedly involved in operating the Naytawash school, and the district did not close it. A similar condition exists at Waubun, where JOM funds reportedly are used to maintain an Indian school. The Pine Point Experimental School, though made an independent unit within the Park Rapids district by the State legislature, appears to be a similar situation.

The separate 93% Indian school is run by a committee which acts as a board of education. It is exempt from some State requirements, such as those governing teacher certification. All revenues come from State and Federal sources. The Park Rapids district provides no financial support.

The Minnesota districts receiving basic support do not appear to require this revenue to provide minimum educational programs for their students. The districts with the least revenue are also those with smaller proportions of Indian students. The State funding formula eliminates local property wealth or percentage of non-taxable Indian land in a district as a barrier to providing a minimum education. Except for Red Lake, the only justification for basic support which has been offered is that it enables Indian communities to keep their local elementary schools open in the face of district pressure to close them.

IV. Nebraska

Through its School Foundation and Equalization Fund, the State of Nebraska insures that each district has what the State defines as a "minimum level" of funding for public education. This level ranges from $225 per kindergarten pupil to $550 per secondary school pupil. To determine its minimum level a school district multiplies the average daily membership in each category by this legislated amount. A sparsity factor increases the total in districts with scattered populations from 10% to 40% depending on population density.

To meet this figure the State provides both a flat grant and State aid. The flat grant per average daily membership ranges from $17.50 for elementary pupils to $49 for secondary pupils.

To be eligible for State aid a district must raise a minimum levy of from 5 to 12 mills depending on the class of district. In determining the amount of State aid, a district determines its minimum level then subtracts from that figure the funds it receives from the flat grant, the qualifying levy, tuition fees, transportation reimbursements, fines and license fees. The difference is supplied by the State.

Districts also receive State funds for special programs and as an incentive to hire teachers with advanced training. The State Department of Education distributes funds from the Revenue Sharing Trust Fund so that each district receives the same amount per pupil.

This minimum level of funding insured by the State is inadequate to meet most districts' educational needs. Since there is no State limit on the amount the district can levy, local districts may fund more expensive programs.

The three Nebraska districts which receive basic support, Macy,

Santee, and Winnebago, depend on Federal funds for over half of their revenue.[4]

Without Federal categorical aid Winnebago receives $1,170 and Macy $1,032 per pupil, slightly over the State average of $950. Without categorical aid Santee receives only $660 per pupil, substantially less than the State average expenditure.

Macy and Winnebago are located within a few miles of each other. The separate communities, one Omaha the other Winnebago, want to maintain separate, community controlled schools. Despite incentives and arguments that consolidation with Walt Hill, a predominantly non-Indian district close to Macy and Winnebago, would lower per pupil costs, the communities have voted against consolidation. Federal aid, both JOM basic support and categorical funds, enable them to operate more expensive than average programs.

Without JOM basic support and categorical aid Santee has little revenue. JOM basic support makes the difference between less revenue than the State average and more than the average. The district is not making a major effort to finance its schools. Only 8% of the land consists of non-taxable Indian land. The current levy reported to the Aberdeen Area Office in May, 1975 was only 16.05 mills on property assessed at a rate of 35%. However, since the levy raised only $4,432 in 1974-1975, doubling or even quadrupling its tax effort would not provide revenue as great as the JOM amount. The Johnson O'Malley basic support appears necessary if Santee's revenues per pupil are to equal the State average.

Macy and Santee have argued that they could not operate their

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[4]See Appendix B.

schools without basic support and that the Bureau of Indian Affairs would have to take over Indian education. This argument does not appear justifiable in the case of Macy. Both districts see basic support as necessary for Indian communities to maintain separate school districts. In all three districts basic support enables the school districts to operate more expensive programs than the average school district can.

V. South Dakota

The State of South Dakota, through the Minimum Foundation Program, guarantees each district a minimum revenue for each weighted classroom unit. That minimum, determined by the legislature, is $10,000 for 1975-1976. A classroom unit is a group of pupils weighted to allow districts with smaller populations to use fewer pupils to make a unit than do larger districts. The minimum is met through a combination of local and State effort.

The school district's contributions to the minimum is the amount that 13 mills will raise on its agricultural valuation and 18 mills will raise on the non-agricultural valuation. The State contributes a flat grant for each classroom unit. In 1975-1976 this will be $1,500. If the sum of the revenue received from the qualifying levy, the flat grant, tuition, fees, and the district's share of the State apportionment (interest from the Permanent School Fund) does not equal the minimum revenue, the State provides "equalization support" equal to the difference.

Local districts may levy up to 24 mills on their agricultural valuation and 40 mills on the non-agricultural valuation for the General Fund or operational budget. The district may levy an additional amount up to 2 mills for special education. Capital expenditures are financed by bond issues. The district's bonded indebtedness is limited to 10% of assessed valuation.

The State provides aid to districts for pupil transportation. The law enables the State to provide 50% of a district's approved costs up to $.50 per mile. However, legislative appropriations limit the available money which is then pro-rated among districts. Transporation is a

major expense in a largely rural State. An NEFP[5] study of South Dakota found the per pupil costs of transportation to be in excess of those in other States; however, average costs per pupil mile were less than in comparable districts in other States.

Because of the limited State role in financing public education, local property wealth is the basis for school finance in South Dakota. An interim committee of the State legislature is studying school funding formulas and will introduce legislation to change the present system. Since the State of South Dakota has no income tax, its potential to increase its share of school finance is dependent on tax legislation.

The revenues available to local districts are limited by assessment practices. Although the school districts have the responsibility of setting their levies, county, through a Director of Assessment appointed by the County Commission, determines the assessed valuation. Statute sets the assessment ratio at 60% of market value. A sales ratio test conducted by the State Board of Equalization indicates that no county assesses at that rate. If a county's assessment ratio is less than the State average, the Board of Equalization may raise the county's assessments by 1% for every percentage it falls below the average. The State average assessment in 1973, as determined by the sales ratio test, was only 35.1% for rural property and 39.6% for urban property.

The State Department of Revenue assesses utilities and railroads. While assessment does not keep pace with inflation, the assessed valuation of utilities and railroads approximates the statutory 60%. When utilities

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[5]Alexander, Kern and Jordan, K. Forbis. Financing the Public Schools of South Dakota. South Dakota Division of Elementary and Secondary Education, 1973.

are operated by cooperatives, the cooperatives pay a gross receipts tax to the school districts rather than a property tax. Only two districts in this study received such revenue, Todd County ($8,845) and White River ($2,221).

An official in the State Department of Revenue reported that neither the districts nor the State receives revenue from lands leased from non-taxable Indian holdings. There are no mineral resources being exploited on non-taxable Indian lands.

The seven South Dakota districts which receive basic support currently are taxing themselves at the maximum rate. Statewide, only 27.23% of all districts levy at the maximum level on their non-agricultural valuation. However, in all seven districts property is assessed at well below the 60% rate, and in some property is assessed at below the State average. The sales ratios on agricultural property range from 30.7 to 38, the ratios on non-agricultural property range from 29.8 to 44.4.[6]

Only two of the seven districts receiving basic support have more than 50% Indian students. In Smee, 93% of the students are Indian, in Todd County, 78% of the students are Indian. In the other five districts the percentage of Indian pupils ranges from 18 to 47.

Sisseton is the only one of the seven districts whose total revenues, excluding all categorical aid, per pupil is less than the State average expenditure per pupil, a figure that includes all revenues. Since only 35% of Sisseton's pupils are Indian and only 12% of its land is non-taxable Indian land, Indians do not appear to be the cause of the district's low revenue. According to a BIA official, many of the Indian pupils in the

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[6]South Dakota State Department of Education. Educational Statistics, 1973-1974.

Sisseton district do not live on their allotments. Thus they are either not eligible for PL 874 or they are Category B pupils. Thus school district officials seem to feel Indians are not contributing their share to the total budget. The district has argued that a loss of Johnson O'Malley basic support will create a situation in which the Bureau of Indian Affairs will have to take over Indian education.

Waubay, West River, and Smee have also told the BIA that loss of JOM basic support will force the Bureau to resume operation of Indian schools. The poverty argument is not strong. In Waubay only 11% of the land is non-taxable Indian land. In West River, 34% of the land is non-taxable. Waubay's percentage of Indian pupils is 31, West River's 26. Both districts receive significantly more revenue from sources other than Federal categorical programs than the average district in the State spends. Although Smee is 93% Indian pupils and 79% of its land is non-taxable Indian land, funds from PL 874 appear to compensate for low property wealth per pupil. Without JOM basic support or Federal categorical funds, the district receives $1,047 per pupil. All three districts appear capable of operating a minimum program (if the State average expenditure per pupil is a standard for minimum program) without Johnson O'Malley basic support.

VI. Arizona

Of the 18 school districts studied in Arizona, 16 had over 80% Indian population, and a number of these which were located on the reservation approached 100%.[1] These school districts, particularly those serving the Navajo and Hopi reservation in northeastern Arizona and the Apache reservations in eastern Arizona, have many administrative and financial problems in common: (1) Very little or none of the land in these districts is taxable and most tax revenues come from taxable improvements on Indian land, such as pipelines, utility facilities, etc. usually owned by large corporations. These, however, do not constitute a substantial tax base in most cases, giving many of these districts an assessed valuation of under $5,000,000 (See Table 27). Bonding at a maximum capacity of 10% assessed valuation for school construction with such a low tax base is pointless since most structures currently needed would cost in the millions of dollars.[2] (2) Maintenance and operation costs run high due to the isolation, vast expanse of land covered, and poverty of the populations served. Window Rock school district, which is typical of most of the reservation districts, documents these extra expenses as follows: increased cost of health services for students which are not reimbursed by any State or Federal plan is about $23,775 per year. Labor costs for free lunch programs which reach 60% of student population equal $148,680 for 1974-1975. Extra labor, supplies, and materials for their 30 school-bus fleet is $135,000 per year and extra administrative costs for trips to the county or State offices add $23,000 per year. High numbers of temporary units, teacherages, and extreme variation in temperatures and weather increase maintenance costs as much as $60,900 per year. All these extra costs amount to 11% of the district's budget. (3) Funding patterns such as a

heavy dependence on Federal aid, meager State aid, deficit spending and a number of administrative problems are held in common by these districts.[3] An expanded discussion of these follows.

Local taxes in these districts contribute from 3 to 53 percent of total revenues. In most districts local taxation is not a major source of revenue in the districts studied. Furthermore, the State of Arizona plays a large part in administration of public school finance for the districts covered in this study. First, the State determines to a large extent how much PL 874 monies the districts will receive. The PL 874 desk in the State Department of Education is responsible for requesting impact aid from the Federal government. Currently, they request it based on the formula employing the national average per pupil cost. For 1974-1975 this was $510.17 per A student on the elementary level. In Montana, utilizing the comparable districts formula, an elementary district was able to base their impact aid on $723.08 per A student.

Second, Johnson O'Malley funds for the school districts are received through State contract with the BIA Area office. Contract negotiations for allocation of funds for the 1974-1975 school year were not completed until mid-December of the past year, thus creating a funding crisis for several reservation districts.[4]

Third, there is an allocation of State aid given to each district. The sum total of this State aid accounts for approximately 40% of the general fund of the State. Sources of revenue for this fund are as follows: State sales tax, 41%; individual and corporate income tax, 24%; State tax on real property, 11%; State luxury tax, 7%; other sources, 17%.

School districts in Arizona receive two separate allocations from the State: one for maintenance and operation, and one for transpor-

tation. Maintenance and operation includes all expenses of running a school district except transportation and a capital outlay category, which includes furniture and equipment, vehicles not primarily used for pupil transportation, textbooks, athletic equipment, remodeling and other improvements (both by contract and internal), site improvements, capital outlay for tuition students, and construction expenses including retiring of debts.[5] As might be noted, this definition of maintenance and operation doesn't include all categories of basic support. Transportation costs are funded to a certain percentage, but the State does not aid the districts in meeting such expenses as textbooks, furniture and equipment, athletic equipment, remodeling and renovation which are all considered part of basic expenses in many other States.

The State allocation for M&O is arrived at through a formula based on dollars per State supported classroom. The number of State supported classrooms in a district is calculated by taking the district student population and dividing it by 24 for high school and 26 for elementary. In 1974 the State arrived at a new formula which gives a single amount of State aid for M&O to each district rather than the multiple categories of State aid used in the pre-1974-1975 school years. This aid is based on a district's budget cost level, a dollar per State supported classroom figure computed in 1974 which is used with yearly alternations to determine State support.

The State allocation formula operates as follows:

(1) A district's 1973-1974 revenues in the following categories are totaled.

a. Basic grant
b. Financial assistance
c. Equalization aid
d. County aid
e. Estimated auto lien tax receipts

f. State permanent school fund

g. District M&O levies

h. Cash balance

(2) From the sum of revenues, transportation costs are subtracted to yield a total budget cost level.

(3) A number of State supported classrooms is computed by dividing the total district population by 26 for elementary and by 24 for high school.

(4) The total budget cost level is divided by the number of State supported classrooms to yield a budget cost level per classroom.

The State also calculated a figure based on State average cost of education per classroom which is called the basic support level. This is a dollars per classroom figure which acts as a ceiling for State aid. If a district's budget cost level/classroom is higher than the basic support level/classroom, the latter is used instead of the basic cost level in the final calcualation as follows.

Take budget cost level per classroom or basic support level (whichever is lower). Multiply by number of State supported classrooms.

Total assessed valuation x $1.30/100 = local tax contribution.

Subtract local tax contribution from figure above = State aid.

In years subsequent to 1973-1974, the original budget cost level and basic support level have been utilized with 7% increases yearly. Also,

during the five years after initial implementation of this formula an equalizing factor is added to the budget cost level to eventually make it equal to the basic support level. This is done by subtracting the basic cost level from the basic support level. One-fifth of the difference is added to the basic cost level the first year, one-fourth the second, etc. until 1978-1979 funding year when all of the difference will be added and all districts will theoretically be funded at the basic support level. Each year before that, however, districts with a basic cost level lower than the basic support level lose thousands of dollars in State aid that will never be made up.[6]

None of the districts in Arizona with high Indian student population had a basic cost level in 1974-1975 that reached the basic support level.[7] This is not because the cost of education is lower in Indian districts than non-Indian ones. In fact, Indian districts rank among the highest in cost per student.[8] The budget cost levels in the Indian districts are low because they are not based on cost, but on revenue. And only certain kinds of the regular yearly revenue into an Indian district are counted in the calculation. District taxes for maintenance and operation are counted, but PL 874 monies, which are in lieu of taxes are not counted. Since most Indian districts studied had high PL 874 contribution to their revenues and low tax contribution in 1973-1974, the resulting low budget cost levels are not surprising. A recalculation of the budget cost levels of the highly impacted Indian districts including their 1973-1974 PL 874 revenues gives all the districts a basic cost level per classroom close to or above the basic support level.[9]

Secondly, State support is given on the basis of number of classrooms, arrived at by dividing enrollment by 24 for high school or 26 for elementary.[10] Districts with less than these figures per classroom lose

out of this calculation. Peach Springs school district with 145 students actually had nine classrooms (one for each grade, K-8) instead of the 5.58 arrived at in the State formula. Thus, it gets approximately half the State aid it would if a sparsity factor was included in the calculation.

Using 1973-1974 revenue figures as a base with yearly adjustments causes difficulties as well. The 7% yearly increases allowed in the basic cost level assume a uniform relatively low yearly increase in cost, not at all characteristic of the extremely high growth and cost increases in reservation schools (19.09% average cost increase in 1974-1975 over 1973-1974).[11] Secondly, inequities inherent in the original calculations are perpetuated. Districts starting out with low budget cost levels due to meager revenues and negative cash balances continue to have the lower budget cost levels, while rich districts having a high cash balance and M&O levies revenue in 1973-1974 continue to be funded on a higher level.

The separate State transportation aid is arrived at through a calculation by the State as to the district's need based on number of miles traveled and number of students served. The total State appropriation for that year is divided up among the districts, each one's share being weighted as to their comparative need. In the 1974-1975 school year the districts were funded at 90% and in 1975-1976 are anticipated to be funded at 60% of their entitlement.[12] Furthermore, the entitlement itself is considerably less than the district's stated need in transportation. JOM, PL 874, and local funds are used heavily by the districts in this expense category.

Probably the most controversial aspect of public education funding for Indians in Arizona is the use of Johnson O'Malley funds for basic

education costs rather than according to the strictly supplemental intent of these funds. The regulations under which JOM can be used for basic funding include the following: (1) minimum 70% Indian enrollment in the district; (2) as a means of meeting minimum State standards for education; and (3) only after a district tax rate equal to the State average is levied and the average State aid is given.[13]

All of the Indian districts studied had well over the 70% Indian enrollment required. There are, however, no minimum standards of education in Arizona and in their absence, JOM is used as a means to balance whatever budget is arrived at for that year. The cost per pupil in the districts using JOM basic for 1974-1975 in the adopted budgets ranged from $1,014 to $7,745 per student. The latter figure reflects a $1,453,244.94 capital outlay expense for a new high school requested to be paid from JOM basic funds.[14]

There is a tendency in JOM basic districts to stick to a tax rate very close to the minimum allowed for JOM. Of the 12 districts studied, only six had a rate above $4.00/100 in 1974-1975.[15] There is little motivation, however, to raise the tax rate in districts with assessed valuations of $1,000,000 or less as a number of those studied are. Doubling the tax rate would increase that category's contribution to the budget by only three or four percent. Of the 12 districts studied which received JOM basic, only four received State aid equal to or above the State average in 1974-1975.[16]

Given the fact that all other revenues coming into the districts are limited by formulas, and local taxation is a meager source of revenue, JOM is looked to as the only flexible figure in the budget and is essentially used in many cases to make it balance. Theoretically then, JOM is the first

figure reduced given any increased revenues in other categories. In districts where costs are kept to the most necessary and to a minimum, this practice seems to be in keeping with the regulations' definition of exceptional circumstances in which districts may qualify for JOM basic support.

There are, however, attempts to abuse JOM basic. In Chinle school district's adopted budget, almost $1,000,000 in JOM went into M&O revenues that totaled in excess of the M&O expenditures by $242,000. The latter figure - intended to be the local taxes contribution in M&O was deducted from the proposed local tax contribution of $619,000 in transportation and capital outlay, clearly a case of attempting to use JOM to supplant local taxes. Likewise, the previously mentioned figure of almost $1.5 million JOM for furniture and equipment might be questioned as well. Furthermore, if the JOM basic districts had been funded at the basic support level in 1974-1975, the resulting increase in State aid would total nearly $3.5 million. Since any increase in revenues brings a corresponding reduction in JOM basic, the $3.5 could have been saved for supplemental programs had the districts been funded up to the basic support level by the State.[17]

Another factor in Arizona financing of public education is deficit spending.

Arizona State law permits a school district to spend all of its adopted budget, whether or not expected revenues are actually received. Registered warrants, which banks are required to honor at six percent interest, are issued by the school districts for payment of bills.[18]

A number of districts studied had deficits for over three years running despite the State regulation requiring that a deficit must be made

up in taxes the next year. Ganado school district indicated on the adopted budget that $1,436,161 was going to be raised from local taxes to erase the deficit, but set a tax rate that could generate less than $600,000, thus perpetuating the deficit.

A major source of the deficit for 1974-1975 will result from districts overprojecting their JOM revenues.[19] Budgeted amounts exceed actual receipts by over $1,000,000 in two districts.

There are finally a number of administrative situations that render hardship and confusion to the effort to finance public education for Indians in Arizona. One of these is the practice of paying tuition for students bussed out of one's district to another district's public schools.

The actual number of students who will be going out of district is never known when expenditures are budgeted, thus creating a category highly susceptible to over-expenditure. Students frequently transfer back and forth during the school year in between two districts, further complicating the situation financially.

Secondly, a number of schools studied in Apache County were classified as elementary schools, but have authorization to teach high school subjects. Since no regular high schools were available to the students in these districts, this arrangement was the only alternative to boarding school. The school district suffers, however, in its funding since it receives PL 874 monies at only the elementary rate. Also, since it is only an elementary district, no tax may be levied to bond for high school construction.

The northern reservation districts do pay taxes for the high school district which encompases all of Apache County. However, the high

school funded by these taxes is located in the southern part of the country and serves the non-reservation population there.

There is at least one case of obvious gerrymandering of a school district within the Ganado school district. (See figure 38.) The El Paso Natural Gas compound with a total assessed valuation of $3,000,000 was made into the Navajo Compressor Station school district to serve its 30 students, avoiding incorporation with the surrounding deficit-ridden, predominantly Indian school district. Finally, administrative difficulties arise from the existence of two parallel systems of education for Indian children in Arizona: the public schools and the BIA schools. There are a number of reasons why they co-exist, the most obvious being that this is a transitional period between the earliest years when all Indian children were educated only in BIA boarding schools to a time in the future when, if trends continue, most will be educated in public schools. There are other reasons why Indian children continue to attend boarding school. Some live too far from school to be transported daily by bus and some live too far from a road to walk to the bus. Other children attend boarding school because of conditions at home that make it impossible to study or to get ready early enough in the morning. Others attend because of troubles at home.

Problems arise, at least administratively, since these are parallel rather than cooperative systems. Interviews with district superintendents and tribal educational personnel revealed some of the following: (1) BIA equipment is not utilized to aid public education in such situations as a road grader going only as far as the BIA bus goes along a road where the public school bus goes farther. (2) BIA classrooms stand empty nearby public schools which are often at double their capacity or housed in

temporary quarters. (3) Children sent to boarding school because of problems at home often run away and appear in the public school during the school year creating a difficult administrative and educational situation. (4) Public schools sponsor para-professional personnel to go to college to be certified only to find some of them afterward taking better paying jobs in the BIA system.

This lack of cooperation is particularly difficult to understand given the fact that many of the problems facing public schools are due to their having to accommodate a large influx of students resulting from their leaving the BIA system.

The evidence suggests that Arizona's Indian districts are in severe financial difficulty and confusion. The State, in that it controls a large portion of the district funding, must assume considerable responsibility. The State's determination of impact aid yields meager revenues for the Indian districts studied.

Another method of requesting PL 874 is based on comparing the impacted district with five school districts which do receive local tax money, to indicate what the district in question might receive in local support if its land was taxable. Although the latter method involves more work - finding comparable districts, computing revenues, etc. - it frequently results in a much larger PL 874 allocation for the impacted districts.

Secondly, there is an Arizona State law that a district must make up a deficit the following year in taxes. This is not being enforced in the districts studied where several have had increasingly larger deficits for three years running. Nor has the State contributed extra financial assistance to bring the districts out of their financial crises. Third,

State aid in Arizona is allocated by a plan that lacks a concept of the total range and level of the cost of education in a given district.

State aid does not cover all the categories of basic support as defined by this study. There is a deliberate reduction of responsibility which excludes the categories of text books, furniture, equipment, remodeling and renovation - none of which a school district can do without.

Furthermore, the level of support does not bear any correlation to the need of the district. All but one of the Indian districts studied having costs per pupil higher than the State average in 1973-1974 had less than the State average support in 1974-1975. State revenues have not been sufficient to fund all the districts in the State at the basic support level with $1.30/100 local contribution for the first four years of implementing the new plan. As mentioned previously, the intention is to equalize the budget cost levels and basic support level by the 1978-1979 school year. Implied in this is the acknowledgement that all districts need to be funded at this level. The fact that the 1974-1975 elementary basic support level was only $800 per child with an average State cost per child of $902 the previous year indicates that the basic support level is not even a minimum cost of education figure. It seems obviously unfair, therefore, to compute the State aid of districts with costs per pupil higher than the State average with a budget cost level less than the basic support level. The State has saved itself millions of dollars by funding impacted districts on budget cost levels, which are low from leaving out their large PL 874 contribution from the calculations. In as much as many of these are Indian reservation districts with exceptionally high extra costs and negative cash balances, this seems a poor choice for economizing. An alternative would be to fund all the districts at the basic support level and subtract a higher local

contribution, perhaps $1.50/100 instead of the present $1.30 times the assessed valuation of the district. This way a rich district with a higher assessed valuation, having a significant budgetary alternative in raising local tax rates, would take the lesser share. By doing this, the Arizona State plan would take on a concept of State aid being given to a district inversely to its ability to generate local funds as is done in the Alaska plan.

At the local level, remedies for the current financial situation are not great. In a few districts where costs have reached more than twice the State average, some budgetary controls on spending might help. However, a significant increase in revenue from local taxation is precluded, even at confiscatorily high rates, by the low tax bases of most of the districts.

Furthermore, even if local funding was achieved, it would not likely be in the interest of Indian self-determination in public education. It is the taxpayers who traditionally have been acknowledged to have the major voice in decision-making for the district. This usually means the local home owners, the parents of the children attending school in the district. However, in almost all of the Indian districts studied 80-99% of the taxes were paid by large corporations whose interests are not necessarily the same as those of the parents and students of the school district.

As previously mentioned, PL 874 monies are not seen by the districts as having been contributed by the Indian community in lieu of taxes, and therefore do not carry a corresponding acknowledged right for policy determination. Given these two factors, the actual current self-determination powers of Indian people in Arizona public education seem

tenuous at best.

FOOTNOTES, VI. ARIZONA

1. See Table 26.
2. See Table 27.
3. See Table 29.
4. Survival of the Public Schools, Navajo Division of Education, Window Rock, Arizona, 1975, pp. 56, 57.
5. See Arizona school district budget form.
6. See Table 33.
7. See Table 30.
8. See Table 31.
9. See Table 32.
10. See computation sheet for determining State aid for Arizona school districts for 1974-1975.
11. Computed from Adopted Budgets of 16 Arizona Districts.
12. Interview with Charlotte Duvall of the Arizona State Department of Education.
13. Johnson O'Malley Regulations, Federal Register, Vol. 39, No. 163, August 21, 1974.
14. From the Adopted Budget, 1974-1975 for Monument Valley High School District.
15. See Table 27.
16. See Table 29.
17. See Table 33.
18. Survival of Public Schools, p. 10.
19. See Table 34.

State	District	Total Enrollment	Indian Enrollment		Tribes
Arizona	Alchesay	366	311	85%	White Mountain Apache
	Chinle	1,135	1,067	94%	Navajo
	Ft. Thomas Elem.	342	294	86%	San Carlos Apache
	Ft. Thomas H. S.	152	125	82%	
	Ganado	1,461	1,332	91%	Navajo
	Indian Oasis	1,051	1,022	97%	Papago
	Mesa Elem.	18,479	559	1%	Salt River Pima
	Mesa H. S.	8,051	165	2%	
	Keams Canyon	570	516	91%	Hopi, Navajo
	Kayenta	952	1,278	94%	Navajo
	Monument Valley	410			Navajo
	Peach Springs	145	138	95%	Hualapai
	Puerco	688	549	80%	Navajo
	Sacaton	834	977	93%	Maricopa
	Tuba City Elem.	1,274	1,229	96%	Navajo
	Tuba City H. S.	635	621	98%	Navajo
	White River	1,135	1,067	94%	White Mountain Apache
	Window Rock	2,445	2,106	86%	Navajo

Table 26. Total enrollment and Indian enrollment of districts studied in Arizona. Data from Arizona State Department of Education.

District	Total Assessed Valuation	Assessed Valuation Per Pupil	Tax Rate	Actual Expenditures Per Pupil
White River	$ 1,282,123	$ 1,129.62	$ 3.34 per $100	$
Alchesay	1,282,123	3,503.07	2.54	1,615.68
Chinle	7,316,732	1,795.08	3.54	1,562.11
Ft. Thomas Elem.	3,219,071	9,412.49	1.32	1,058.46
Ft. Thomas H. S.	3,219,071	21,178.10	2.83	1,404.88
Ganado	8,677,984	5,939.76	6.73	1,464.24
Indian Oasis	420,403	400.00	13.49	1,563.79
Mesa Elem.	206,343,585	11,166.38	2.81	877.56
Mesa H. S.	206,343,585	25,629.56	2.42	1,164.86
Keams Canyon	2,288,496	4,014.91	3.34	2,287.53
Kayenta	14,743,280	15,486.64	5.41	1,344.16
Monument Valley H. S.	14,743,280	35,959.22	5.41	3,899.44
Peach Springs	5,117,314	35,291.82	1.33	1,030.27
Puerco	6,292,012	9,145.48	3.34	1,133.75
Sacaton	1,800,000	1,706.67	3.35	1,236.92
Tuba City Elem.	1,500,000	1,177.39	4.71	1,853.00
Tuba City H. S.	1,500,000	2,362.20	4.71	3,962.91
Window Rock	7,432,723	2,156.91	3.34	1,467.11

Table 27. 1974-75 total assessed valuation, assessed valuation per pupil, tax rates, and expenditures per pupil for districts studied in Arizona. Tax information is from the Ramada Inn Study. Actual expenditures are for operational budget as defined by Arizona, From district and county superintendents.

District	Bonding Capacity	Bond Encumbrance	Encumbrance as Per cent of Capacity
Alchesay	$ 128,212	$ -	
Chinle	731,673	-	
Ft. Thomas Elem.	321,907	45,000	14%
Ft. Thomas H. S.	321,907	45,000	14%
Ganado	867,798	650,000	75%
Indian Oasis	42,040	N. A.	
Mesa Elem.	20,634,358	1,357,500	7%
Mesa H. S.	20,634,358	1,269,400	6%
Keams Canyon	228,849	-	
Kayenta	2,652,647	310,000	12%
Monument Valley	1,474,328	310,000	21%
Peach Springs	511,731	38,387	8%
Puerco	654,416	325,000	50%
Sacaton	180,000	-	
Tuba City Elem.	150,000		
Tuba City H. S.	150,000	210,000	140%
Window Rock	743,272	390,000	52%

Table 28. Bonding capacity and encumbrance compared for various Arizona school districts. Bonding capacity information from Ramada Inn Study. Bond encumbrance from county and local school district superintendents.

District	I Total Revenue	II Revenue from State	III Revenue from State as Per cent of Total Revenue	IV (State Average $ 603.15) Revenue from State per Pupil	V Local Revenue	VI Local Revenue as Per cent of Total Revenue	VII Local Revenue per Pupil	VIII State Aid Dollars Generated for Each Dollar of Local Aid	IX PL 874 Revenue	X PL 874 Revenue as Per cent of Total Revenue	XI PL 874 Revenue per Eligible Pupil
White River	$ 1,520,207.33	$ 647,336	43	$ 570.34	$ 42,145.96	3	$ 37.13	$ 15.36	$ 527,546	35	$ 509.46
Alchesay	669,348.51	245,692	37	671.29	31,612.38	5	86.37	7.77	147,786	22	509.61
Chinle	5,722,827.11	2,096,566	37	514.37	238,852.99	4	58.60	8.78	1,778,452	31	510.17
Ft. Thomas Elem.	471,907.12	201,204	42	588.32	48,858.14	10	142.86	4.12	122,705	26	500.84
Ft. Thomas H. S.	252,726.84	91,341	36	600.93	83,786.42	33	551.23	1.09	52,419	21	519.00
Ganado	1,555,535.94	665,953	43	455.82	568,483.45	37	389.11	1.17	671,281	43	508.35
Indian Oasis	185,075.18	561,701	30	534.44	84,099.42	5	80.02	6.68	490,783	27	510.17
Mesa Elem.	17,127,815.55	12,612,020	74	682.51	2,475,229.00	14	133.95	5.10	367,114	2	388.48
Mesa H. S.	9,573,539.85	6,294,808	66	781.87	2,341,833.00	24	290.87	2.69	137,597	1	398.25
Keams Canyon	860,031.78	381,151	44	668.69	71,934.27	8	126.20	5.30	263,247	31	510.17
Kayenta	1,634,850.15	395,527	24	415.47	588,078.11	36	617.73	0.67	445,888	27	510.17
Monument Valley	1,099,808.38	209,740	19	511.56	585,949.83	53	1,434.34	0.36	214,931	20	532.01
Peach Springs	184,785.87	24,490	13	158.90	70,100.00	38	483.45	0.35	69,250	37	503.64
Puerco	966,796.57	365,953	38	531.91	216,927.22	22	315.30	1.69	205,353	21	542.05
Sacaton	1,064,841.54	421,688	40	595.62	64,850.00	6	77.76	6.50	383,606	36	506.08
Tuba City Elem.	2,280,074.00	654,502	29	513.74	61,191.79	3	48.03	10.70	629,600	28	509.18
Tuba City H. S.	1,378,720.00	387,019	28	609.48	56,261.82	4	88.60	6.88	335,218	24	534.21
Window Rock	3,739,117.80	1,513,449	40	619.00	217,428.58	6	88.93	6.96	1,088,100	29	513.38

Table 29. 1974-75 total, State, local, and PL 874 revenues compared for school districts. Total revenues are actual revenues excluding categorical funds. Data from district and county superintendents.

Elementary		$20,725.90 Elementary Basic Support Level
White River	$ 15,894.72	
Chinle	13,207.83	
Ft. Thomas	18,626.76	
Ganado	12,648.43	
Indian Oasis	13,931.53	
Kayenta	16,537.43	
Keams Canyon	17,985.01	
Puerco	17,693.40	
Sacaton	13,807.39	
Tuba City	13,609.56	
Peach Springs	16,486.66	
Window Rock	16,048.42	
Elem. Teaching H. S.		$ 26,065.20 High School Basic Support Leve
Chinle	14,006.71	
Indian Oasis	15,278.83	
Keams Canyon	17,985.01	
Window Rock	20,197.57	
High School		
Alchesay	20,013.67	
Ft. Thomas	21,909.56	
Tuba City	15,309.55	
Monument Valley	24,435.00	

Table 30. Budget Cost Levels for 16 Arizona school districts compared with the Basic Support Level for 1974-75. Data from DNA Legal Services, Window Rock, Arizona.

District	Total Expenditures in 1974-75	Expenditures per Pupil	Expenditures per Pupil as Per cent of Average for State in 1973-74
White River	$ 1,385,574.73	$ 1,220.77	94
Alchesay	591,339	1,615.68	140
Chinle	6,367,178	1,562.11	136
Ft. Thomas Elem.	361,994	1,058.46	92
Ft. Thomas H. S.	213,542	1,404.88	122
Ganado	2,139,257	1,464.24	127
Indian Oasis	1,643,545	1,563.79	136
Mesa Elem.	17,026,207	877.56	76
Mesa H. S.	9,667,286	1,164.86	101
Keams Canyon	766,172	2,287.53	199
Kayenta	2,177,726	1,344.16	117
Monument Valley	1,598,770	3,899.44	338
Peach Springs	149,389	1,030.27	89
Puerco	780,021	1,133.75	98
Sacaton	1,031,589	1,236.92	107
Tuba City Elem.	2,360,728	1,853.00	161
Tuba City H. S.	2,516,448	3,962.91	344
Window Rock	3,587,089	1,467.11	127

Table 31. Total expenditures in 1974-75, expenditures per pupil, and expenditures per pupil as per cent of statewide average expenditure per pupil in 1973-74, for 18 Arizona school districts. Total expenditures include all actual expenditures but supplementary programs and debt service. Data from district and county superintendents.

Elementary		$ 20,725.90 Elementary Basic Support Level
White River	$ 25,330.26	
Chinle	19,681.08	
Ft. Thomas	26,116.00	
Ganado	19,576.86	
Indian Oasis	24,388.14	
Kayenta	26,294.43	
Keams Canyon	24,469.96	
Puerco	22,434.13	
Sacaton	23,870.89	
Tuba City	23,280.94	
Peach Springs	25,658.55	
Window Rock	23,861.40	
Elem. Teaching H. S.		$ 26,065.20 High School Basic Support Level
Chinle	20,861.94	
Indian Oasis	26,826.95	
Keams Canyon	24,469.96	
Window Rock	30,065.36	
High School		
Alchesay	27,788.22	
Ft. Thomas	27,915.79	
Tuba City	21,338.79	
Monument Valley	34,772.43	

Table 32. Budget Cost Levels for 16 Arizona school districts recalculated to include PL 874 revenues. PL 874 revenues from 1973-74 Arizona Superintendents Report. Budget Cost Levels from DNA Legal Services, Window Rock, Arizona.

	Actual State Aid 1974-75	PL 874 Revenue 1973-74	1974-75 Recalculated State Aid Including PL 874 Revenue in Calculation	Difference Between Actual and Recalculated State Aid	Per cent Increase in State Aid
Chinle	$ 2,096,565.69	$ 1,017,710	$ 3,019,087.60	$ 922,521.41	44%
Ganado	665,952.57	433,041	1,098,993.51	433,041.00	65%
Puerco	365,952.57	142,356	463,105.91	97,173.34	27%
Window Rock	1,513,448.73	821,403	2,014,163.18	500,714.45	33%
Tuba City Elem.	654,502.19	468,089	997,419.75	342,917.56	52%
Tuba City H. S.	387,018.98	159,450	530,257.97	143,238.99	37%
Ft. Thomas Elem.	201,203.89	95,271	295,806.87	94,602.98	47%
Ft. Thomas H. S.	91,340.92	36,163.65	117,520.90	26,179.98	29%
Peach Springs	24,490.07	50,096	47,061.86 +	22,571.79 +	92% +
			117,944.44 *	93,454.37 *	382% *
Kayenta	395,526.58	359,410	551,072.56	155,545.98	39%
Monument Valley HS	209,740.44	176,470	237,490.98	27,750.54	13%
Keams Canyon	381,151.27	135,023	432,644.38	51,493.11	14%
White River	647,335.91	394,503	849,468.71	202,132.80	31%
Alchesay H. S.	245,692.13	99,929	323,170.17	77,478.04	32%
Indian Oasis	561,701.05	420,357	862,404.99	300,703.94	54%
Sacaton	421,688.50	320,894	641,628.38	219,939.88	52%

\+ Computed using number of "state supported classrooms" in district.
* Computed using actual number of classrooms in district.

Table 33. Actual State aid and State aid recalculated with PL 874 revenues included, for 16 Arizona districts. Actual State aid information from DNA Legal Services, Window Rock, Arizona. PL 874 information from Arizona Superintendents Report, 1973-74.

	Local Taxes			Johnson O'Malley			
	Budgeted	Actual	Difference	Budgeted	Actual	Difference	Total Difference
Chinle	$ 345,228	$ 238,853	$ (106,370)	$ 1,302,183	$ 999,849	$ (302,334)	$ (408,704)
Ganado	1,436,161	568,483	(867,678)	358,661	358,661	-0-	(867,678)
Puerco	226,040	216,927	(9,113)	74,866	123,746	48,880	39,767
Window Rock	248,253	217,429	(30,824)	939,913	681,726	(258,187)	(289,011)
Tuba City Elem.	65,019	61,192	(3,827)	506,836	283,425	(223,411)	(227,238)
Tuba City H. S.	65,019	56,262	(8,757)	395,802	206,505	(189,297)	(198,054)
Ft. Thomas Elem.	47,603	48,858	1,255	-0-	-0-	-0-	1,255
Ft. Thomas H. S.	85,810	83,786	(2,024)	-0-	-0-	-0-	(2,024)
Peach Springs	61,137	70,100	8,963	-0-	-0-	-0-	8,963
Kayenta	865,305	588,078	(277,227)	1,604,064	250,861	(1,353,203)	(1,630,430)
Keams Canyon	76,436	71,934	(4,502)	73,792	73,792	-0-	(4,502)
White River	42,287	42,146	(141)	9,128	-0-	(9,128)	(9,269)
Alchesay H. S.	32,158	31,612	(546)	119,577	119,577	-0-	(546)
Monument Valley HS	864,580	585,950	(278,630)	1,892,668	162,711	(1,729,957)	(2,008,587)
Indian Oasis	94,180	84,099	(10,081)	340,110	440,110	100,000	89,919
Sacaton	61,071	64,850	3,779	200,000	200,000	-0-	3,779

Table 34. Budgeted and actual 1974-75 revenues from Johnson O'Malley and from local taxes for 16 Arizona school districts. Budgeted figures from district adopted budgets. Actual figures from district and county superintendents.

District	Actual Local Revenue from Property Taxes	Local Revenue less Estimated Revenue from Major Corporations	Amount in Column II, per Pupil	Total PL 874 Revenue	PL 874 Revenue per Pupil
White River	$ 42,145.96	$ 6,743.35	$ 5.94	$ 527,546	$ 509.46
Alchesay	31,612.38	5,057.98	13.82	147,786	509.61
Chinle	238,852.99	9,555.08	2.34	1,778.452	510.17
Ft. Thomas Elem.	48,858.14	7,329.57	21.43	122,705	500.84
Ft. Thomas H. S.	83,786.42	12,567.96	82.68	52,419	519.00
Ganado	568,483.45	5,684.83	3.89	671,281	508.35
Indian Oasis	84,099.42	-0-	-0-	490,783	510.17
Mesa Elem.	2,475,229.00	N/A	N/A	367,114	388.48
Mesa H. S.	2,341,833.00	N/A	N/A	137,597	398.25
Keams Canyon	71,934.27	6,474.08	11.36	263,247	510.17
Kayenta	588,078.11	76,450.15	80.30	445,888	510.17
Monument Valley	585,949.83	76,173.48	185.79	214,931	532.01
Peach Springs	70,100.00	-0-	-0-	69,250	503.64
Puerco	216,927.22	119,309.97	173.42	205,353	542.05
Sacaton	64,850.00	5,836.50	7.00	383,606	506.08
Tuba City Elem.	61,191.99	9,790.72	7.69	629,600	509.18
Tuba City H. S.	56,261.82	9,001.89	14.18	335,218	534.21
Window Rock	217,428.58	(6,522.86)	2.67	1,088,100	513.38

Table 35. Comparison of estimated local revenues from property taxes paid by taxpayers other than major corporations, with PL 874 revenues, for 18 Arizona school districts. Actual revenue figures from district and county superintendents. Estimated property tax paid by corporations, from Arizona Tax Study Association. PL 874 revenue from DNA Legal Services, Window Rock, Arizona.

District	Total District Revenue	Revenue per Pupil	Revenue Excluding JOM Funds	Revenue Excluding JOM Funds per Pupil	Revenue Excluding all Federal Aid	Revenue Excluding all Federal Aid, per Pupil
White River	$ 1,520,207.33	$ 1,338.21	$ 1,520,207.33	$ 1,338.21	$ 992.661.33	$ 873.82
Alchesay	669,348.51	1,828.82	549,771.27	1,502.11	401,985.27	1,098.32
Chinle	5,722,827.11	1,404.03	4,722,978.00	1,158.73	2,944,526.00	722.41
Ft. Thomas Elem.	474,907.12	1,388.62	474,907.12	1,388.62	352,122.12	1,029.60
Ft. Thomas H. S.	252,726.84	1,662.68	252,726.84	1,662.68	200,307.84	1,317.81
Ganado	1,638,587.17	1,121.55	1,279,926.12	876.06	608,645.12	416.59
Indian Oasis	1,850,745.18	1,760.94	1,410,635.18	1,342.18	919,852.18	875.22
Mesa Elem.	17,127,815.55	926.88	17,127,815.55	926.88	16,820,701.55	910.26
Mesa H. S.	9,573,539.85	1,189.11	9,573,539.85	1,189.11	9,435,942.85	1,172.02
Keams Canyon	860,031.78	1,608.83	786,239.46	1,379.37	522,992.46	917.53
Kayenta	1,634,850.15	1,717.28	1,383,989.34	1,453.77	938,101.34	985.40
Monument Valley	1,099,808.38	2,682.46	937,097.09	2,285.60	722,166.09	1,761.38
Peach Springs	184,785.87	1,274.39	184,785.87	1,274.39	115,535.89	796.80
Puerco	966,796.57	1,405.23	843,050.65	1,225.36	637,697.65	926.89
Sacaton	1,064,842.54	1,276.79	864,842.54	1,036.98	481,236.54	577.02
Tuba City Elem.	2,280,074.00	1,789.70	1,996,648.67	1,567.23	1,367,048.67	1,073.04
Tuba City H. S.	1,378,720.00	2,171.21	1,172,214.78	1,846.01	836,996.78	1,318.11
Window Rock	3,739,117.80	1,529.29	3,057,392.30	1,250.47	1,969,292.30	805.44

Table 36. Comparison of district revenue with and without JOM funds, and with and without all Federal funds by total amounts and per pupil for 18 Arizona school districts. Total revenue is actual total revenue excluding categorical Funds. Actual total revenue from district superintendents. Actual JOM revenues from Indian Desk of Arizona State Department of Education. Actual PL 874 revenues from DNA Legal Services, Window Rock, Arizona.

District	Total Revenues	Total Expenditures	Cash Balance 6-30-75
Chinle	$ 5,722,827	$ 6,367,178	$ (664,351)
Ganado	1,555,536	2,139,257	(583,721)
Puerco	966,796	780,021	186,775
Window Rock	3,739,118	3,587,090	152,028
Tuba City Elem.	2,280,074	2,360,728	(80,654)
Tuba City H. S.	1,378,720	2,516,448	(1,137,728)
Ft. Thomas Elem.	474,907	361,994	112,913
Ft. Thomas H. S.	252,727	213,542	39,185
Mesa Elem.	17,127,816	17,026,207	101,609
Mesa H. S.	9,573,540	9,668,286	(94,746)
Peach Springs	184,785	149,389	35,397
Kayenta	1,634,850	2,177,726	(542,876)
Keams Canyon	860,032	766,173	93,859
White River	1,520,207	1,385,575	134,632
Alchesay H. S.	669,349	591,339	78,010
Monument Valley H. S.	1,099,808	1,598,770	(498,962)
Indian Oasis	1,850,745	1,643,545	207,200
Sacaton	1,064,843	1,031,589	33,254

Table 37. Deficit spending in 7 Arizona districts. Deficit indicated by ( ) around cash balance. Total actual revenues and total expenditures exclude supplementary categories. From district and county superintendents.

District	PL 874	PL 815	JOM	ESEA I	ESEA III	ESEA VII	IEA IV	Other
White River	+	0	0	+	0	0	+	
Alchesay	+	0	+	+	0	0	+	
Chinle	+		+	+				II
Ft. Thomas Elem.	+	0	S +	+			+	II
Ft. Thomas H. S.	+	0	S +				+	II
Ganado	+	0	+	+		+	+	II
Indian Oasis	+		+					
Mesa Elem.	+		0				+	
Mesa H. S.	+		0				+	
Keams Canyon	+		+	+				
Kayenta	+		+	+		+	+	II
Monument Valley	+	+	+	+			+	II
Peach Springs	+		0 Supp					
Puerco	+	0	+	+			+	II
Sacaton	+	+	+	+	+	+	+	+
Tuba City Elem.	+		+	+			+	II
Tuba City H. S.	+		+					II
Window Rock	+		+	+		+	+	II +

Table 38. Receipt by school districts of funds from various Federal programs, for 18 Arizona districts. Presence of funds is indicated by +. For Johnson O'Malley, S indicates supplemental funding and b, basic. Under "Other," II represents ESEA, Title II funding. Information from district superintendents.

Map removeed because of illegibility.

Table 38: Map showing location of Navajo Compressor station school district inside the boundaries of Ganado School District in Arizona.

VII. Summary

Of all JOM basic support districts in Iowa, Minnesota, Nebraska, and South Dakota, only three, Santee, Mahnomen, and Sisseton, receive less revenue per pupil from sources excluding Johnson O'Malley basic support and Federal categorical programs than the average State expenditure per pupil. Of these, only Santee has a majority of Indian pupils.

In Minnesota, Johnson O'Malley basic support enables Indian communities who otherwise would send children to predominantly non-Indian schools in the district to keep small, all-Indian, high cost schools in operation. In Nebraska, it enables Indian communities to operate their own school districts. In South Dakota, except for Sisseton, Johnson O'Malley revenue enables the districts to spend more than the State average. Although this average amount is low and probably insufficient to provide a good education, it must be sufficient to operate a "minimum" program as defined by the State of South Dakota.

APPENDIX B

DATA SUMMARIES

I. Introduction

This appendix summarizes revenue and taxation information about the Johnson O'Malley basic support districts in Iowa, Minnesota, Nebraska, and South Dakota. The sources of data are footnoted on each of the tables.

Data was obtained from the State Department of Education, revenue divisions, and auditor's offices in the States, the Bureau of Indian Affairs, and from the districts themselves in either personal or telephone interviews. Because figures from the various sources often did not correspond with each other, there was a problem in selecting which data to use. Where available, the study used figures obtained from State agencies first, from the Bureau of Indian Affairs second, and, only if the information was unavailable elsewhere, figures obtained directly from the school districts. Some of the State revenue figures came from audited budgets. It was felt that the State officials were in the best position to collect and check school district information. However, the fact that information about individual districts varied from source to source is a problem for the study.

II. List of Tables

B. I. Johnson O'Malley Distribution by States - FY 1973, 1974, 1975

B. II. Johnson O'Malley Distribution by Districts, 1974-1975

B. III. 1974-1975 District Revenue Sources

B. IV. 1974-1975 District Revenue Breakdown Per Pupil

B. V. 1974-1975 District Tax Information

TABLE B I
JOM DISTRIBUTION BY STATES

	FY 1973	FY 1974	# JOM Students	FY 1974 $ Per Pupil	FY 1975	# JOM Students	FY 1975 $ Per Pupil
ARIZONA	3,835,000						
(Phoenix)	4,035,000	4,035,000	17,615	229	1,180,000	6,024	196
(Navajo)					3,355,000	13,016	258
(Peripheral Navajo)	2,105,000	2,067,200			2,105,000	1,267	1,661
IOWA	150,000	124,000	237	523	124,000	231	537
MINNESOTA	1,350,000	1,316,300	3,357	392	1,330,000	3,467	384
NEBRASKA	673,000	670,000	715	937	670,000	865	775
SOUTH DAKOTA		1,632,300	5,258	310	1,640,000	4,783	343

Data obtained from the Albuquerque Area Office, Bureau of Indian Affairs

TABLE B II

JOM DISTRIBUTION PER PUPIL BY DISTRICT

1974 - 1975

	Total JOM	Indian Enrollment	JOM/Per Pupil
SOUTH DAKOTA			
Wakapala			
McIntosh	27,000	87	310
Waubay	30,346	150	202
Sisseton	493,880	566	873
Todd County	290,000	1,627	178
West River	82,477	170	485
White River			
NEBRASKA			
Winnebago	65,000	310	210
Macy	245,127	369	664
Santee			
IOWA			
South Tama	107,464	232	463
MINNESOTA			
Pine Point	166,965	93	1,795
Red Lake	328,182	890	369
Waubun	35,812	182	197

BIII

1974 - 1975 DISTRICT REVENUE SOURCES

	Total Revenue	Rederal Revenue	%	State Revenue	%	Local Revenue	%	JOM Revenue	%	P.L. 874 Revenue	%	% Indian Enrollment	Total Enrollment
IOWA													
South Tama [1]	2,791,143	287,181	10	1,294,251	46	1,209,711	43	107,464	4	47,543	2	9	2,450*
MINNESOTA [2]													
Mahnomen	1,352,827	183,006	14	916,250	68	253,571	19	34,816	3	35,999	3	23	1,022
Nett Lake	397,885	189,764	48	192,370	48	15,751	4	87,319	22	71,068	18	100	91
Pine Point	290,695	242,735	84	47,970	17	none	-0-	166,965	57	46,717	16	93	101
Red Lake	3,221,940	1,502,783	47	1,701,079	53	18,078	.5	328,182	10	240,000	7	96	870
Waubun	1,426,879	296,370	21	864,631	61	265,878	19	39,128	3	90,007	6	41	946
NEBRASKA [3]													
Macy	865,250	681,881	79	167,930	19	15,439	2	245,127	28	226,147	26	99	397
Santee	105,447	82,613	78	18,402	17	4,432	4	47,000	45	26,019	25	97	74
Winnebago	596,864	352,271	59	136,783	23	107,800	18	65,000	11	165,000	28	85	350

1974 - 1975 DISTRICT REVENUE SOURCES

	Total Revenue	Federal Revenue	%	State Revenue	%	Local Revenue	%	JOM Revenue	%	P.L. 874 Revenue	%	% Indian Enrollment	Total Enrollmen
SOUTH DAKOTA 4													
McIntosh	753,108	211,212	37	85,548	11	456,348	61	67,908	9	60,271	8	18	484
Sisseton	1,983,337	843,991	43	425,789	21	713,557	36	512,809	26	54,198	3	35	1,632
Smee	376,378	271,620	72	67,407	18	37,351	10	125,389	33	102,526	27	93	198
Todd County	3,119,762	1,993,483	64	616,982	20	509,297	16	365,075	12	771,427	25	78	1,460
Waubay	582,460	172,182	30	124,786	21	285,492	49	65,330	11	49,920	9	31	483
West River	817,362	149,233	18	135,108	17	533,021	65	50,000	6	74,840	9	26	626
White River	725,533	276,801	38	120,258	17	328,474	45	107,381	15	121,555	17	47	489

1 - Data for State and local Revenue was obtained from the Iowa State Department of Education in a telephone interview with Mr W. Ley. Since South Tama had not returned its financial state for 1974-1975, the State Department did not have Federal Revenues. One Federal revenues were given by the district to an interviewer. The enrollment figure represents a weighted pupil.

2 - All data for Mahnomen, Nett Lake and Waubun, and enrollmentfigures for Pine Point and Red Lake were obtained from the Minnesota State Department of Education. Red Lake had not submitted its financial statement. The State Department does not keep a separate record for Pine Point. The revenues for these districts were given to an interview by school district personnel.

3 - Macy and Santee data were obtained from the districts' applications for JOM aid from the Aberdeen Area Office. All Winnebago data except for the JOM amount which was not reported, also were obtained from the district appplication on file in the Aberdeen Area Office. Mr. Millsap, the Winnebago Superintendent, in a telephone interview, reported "approximately $65,000" in JOM Revenue.

4 - Revenue figures submitted to the South Dakota State Department of Education by the school districts enrollment figures, except White River and Todd County were obtainef rom State Department. White River and Todd County enrollment data was taken from district application for JOM and filed in Aberdeen AREa Office.

B. IV

1974 - 1975 DISTRICT REVENUE BREAKDOWN PER PUPIL

	Total Enrollment	Total Revenue	Total Revenue Per Pupil	Total Revenue Excluding JOM	Revenue Excluding JOM Per Pupil	Total Revenue Excluding All Categorial Aid	Per Pupil
IOWA - 1							
South Tama	2,450	2,791,143	1,139	2,683,679	1,095	2,551,505	1,041
MINNESOTA - 2							
Mahnomen	1,022	1,352,827	1,324	1,318,011	1,290	1,206,615	1,181
Nett Lake	91	397,885	4,372	310,566	3,413	279,189	3,068
Pine Point	101	290,695	2,878	173,700	1,720	263,438	2,608
Red Lake	870	3,221,940	3,703	2,893,758	3,326	1,959,157	2,252
Waubun	946	1,426,879	1,508	1,387,751	1,467	1,222,133	1,292
NEBRASKA - 3							
Macy	397	865,250	2,179	602,123	1,562	409,516	1,032
Santee	74	105,447	1,425	58,447	790	48,853	660
Winnebago	350	596,864	1,705	531,864	1,520	409,583	1,170
SOUTH DAKOTA							
McIntosh	484	753,108	1,556	685,200	1,416	602,167	1,244
Sisseton	1,632	1,983,337	1,215	1,470,528	901	1,193,544	731
Smee	198	376,378	1,901	250,989	1,268	207,284	1,047
Todd Coutny	1,450	3,119,762	2,137	2,754,687	1,887	1,897,706	1,300
Wauban	483	582,460	1,206	517,130	1,071	460,198	953
West River	626	817,362	1,306	767,362	1,226	742,969	1,187
White Rver	489	725,533	1,484	618,152	1,264	570,287	1,166

1974 - 1975 DISTRICT REVENUE BREAKDOWN PER PUPIL

	Total Enrollment	Total Revenue	Total Revenue Per Pupil	Total Revenue Excluding JOM	Revenue Excluding JOM Per Pupil	Total Revenue Excluding All Categorial Aid	Per Pupil
SOUTH DAKOTA							
McIntosh	484	753,108	1,556	685,200	1,416	602,167	1,244
Sisseton	1,632	1,983,337	1,215	1,470,528	901	1,193,544	731
Smee	198	376,378	1,901	250,989	1,268	207,284	1,047
Todd Coutny	1,460	3,119,762	2,137	2,754,687	1,887	1,897,706	1,300
Wauban	483	582,460	1,206	517,130	1,071	460,198	953
West River	626	817,362	1,306	767,362	1,226	742,969	1,187
White Rver	489	725,533	1,484	618,152	1,264	570,287	1,166

1 - Data for State and local revenue was obtained from the Iowa State Department of Education in a telephone interview with Mr. W. Ley. Since South Tama had not returned its financial statement for 1974 - 1975, the State Department did not have Federal Revenues. The Federal revenues were given by the district to an interviewer. The enrollment figure represents a weighted pupil.

2 - All data for Mahnomen, Nett Lake, and Waubun, and enrollment figures for Pine Point and Red Lake were obtained from the Minnesota State Department of Education. Red Lake had not submitted its financial statement. The State Department does not keep a separate record for Pine Point. The revenues for these districts were given to an interview by school district personnel.

3 - Macy and Santee data were obtained from the districts' applications for JOM aid from the Aberdeen Area Office. All Winnebago data except for the JOM amount which was not reported, also were obtained from the district application on file in the Aberdeen Area Office. Mr. Millsap, the Winnebago Superintendent, in a telephone interview, reported "approximately $65,000" in JOM Revenue.

4 - Revenue figures submitted to the South Dakota State Department of Education by the school districts. Enrollment figures, except White River and Todd County were obtained from State Department. White River and Todd County enrollment data was obtained from district applications for JOM aid, filed in the Aberdeen Area Office.

B. V 1974 - 1975 DISTRICT TAX INFORMATION

	Total Assessed Valuation	Assessment Ratio	% Non-taxable Indian land	Maximum Legal Mill Levy	Current Levy	State Bonding Limit	Assessed Valuation Per Pupil
				(determined annually by the State)		(5% total assessed valuation x 3.707)	
IOWA - 1							
South Tama	26,350,427	27			49,488		10,957
MINNESOTA - 2							
Mahnomen	7,601,786				38.87 Ag. 47.11 N-Ag.		7,438
Nett Lake	8,130				24.97 Ag. 33.30 N-Ag.		89.34
Pine Point	none	---	100	---	-----	-----	-0-
Red Lake	41,488				none		40.00
Waubun	4,630,651				44.22 Ag. 52.55 N-Ag.		5,952
NEBRASKA -3							
Macy	580,556	--	59	no limit		40% assessed valuation	1,462
Santee	386,724	35	8	no limit	16.05	40% assessed valuation	5,226
Winnebago	2,274,642	39	28	no limit	44.16	40% assessed valuation	6,499

	Total Assessed Valuation	Assessment Ratio	% Non-taxable Indian land	Maximum Legal Mill Levy	Current Levy	State Bonding Limit	Assessed Valuation Per Pupil
SOUTH DAKOTA							
McIntosh	Ag. 9,266,080 N-Ag. 1,373,122	34.3	33	24 40	Ag. 28.69 N-Ag 44.69	10% assessed valuation	21,803 3,231
Sisseton	Ag. 11,525,660 N-Ag.6,881,546	37.6	12	24 40	27.88 43.83	10% assessed valuation	7,045 4,206
Smee	Ag. 570,428 N-Ag. 189,527	34.3	79%	24 40	30.30 45.80	10% assesed valuation	3,395 1,128
Todd County	Ag. 14,700,754 N-Ag. 1,759,308	33.6	62%	24 40	27.69 41.39	10% assessed valuation	8,140 923
Waubay	Ag. 4,671,520 N-Ag. 2,127,159	37.7	21	24 40	29.39 44.72	10% assessed valuation	9,672 4,404
West River	* 15,931,900	36	36	24 40	24 40	10% assessed valuation	25,434
White River	Ag. 11,113,503 N-Ag. 1,135,623	29.6	36	24 40	27.51 42.02	10% assessed valuation	22,727 2,322

1 - Iowa data reported by State Department of Education and school districts.

2 - Minnesota data reported by State Department of Education.

3 - Nebraska data taken from school districts applications for FY 1976 JOM funds filed in the Aberdeen Area Office.

4 - South Dakota assessed valuation and assessment ration from Department of Revenue. Although the statutory assessment ratio is 60%, assessment practices do not conform to this practice. The assessment ratio reported here, is a sales ratio. Data on % of non-taxable Indian land was taken from district requests for JOM funds filed in the Aberdeen Area Office. All West River data was taken from the district's JOM request. The maximum legal mill levy of 24 Ag., 40 N-Ag. is operational expenditures. Districts also may levy up to 2 mills for special education and may raise levies for capital expenditures.

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED	(% OF C) VARIABLE	FUNDING LEVEL (DxE) FIXED	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,689.	1,689.	2,400.	15.%	$99,718.	120,000.	479,718.	500.%
ALASKA	1,685.	1,685.	14,879.	15.%	3,709,193.	5,684,000.	-1,974,807.	65.%
MINNESOTA	1,185.	1,185.	3,467.	15.%	607,824.	890,000.	-282,176.	68.%
MICHIGAN	1,146.	1,183.	711.	15.%	124,440.	111,000.	13,440.	112.%
OREGON	1,123.	1,183.	1,025.	15.%	179,397.	70,000.	109,397.	256.%
WYOMING	1,097.	1,183.	998.	15.%	174,671.	135,000.	39,671.	129.%
WISCONSIN	1,089.	1,183.	3,823.	15.%	669,106.	504,000.	165,106.	133.%
WASHINGTON	1,057.	1,183.	5,983.	15.%	1,047,151.	975,000.	72,151.	107.%
CALIFORNIA	1,006.	1,183.	1,940.	15.%	339,541.	350,000.	-10,459.	97.%
IOWA	1,000.	1,183.	231.	15.%	40,430.	0.	40,430.	-
MONTANA	965.	1,183.	6,869.	15.%	1,202,220.	1,060,000.	142,220.	113.%
NEBRASKA	950.	1,183.	865.	15.%	151,393.	344,000.	-192,607.	44.%
COLORADO	947.	1,183.	897.	15.%	156,994.	292,000.	-135,006.	54.%
NEVADA	943.	1,183.	2,710.	15.%	474,308.	230,000.	244,308.	206.%
KANSAS	942.	1,183.	220.	15.%	38,505.	102,000.	-63,495.	38.%
FLORIDA	877.	1,183.	245.	15.%	42,880.	10,000.	32,880.	429.%
ARIZONA (NAVAJO)	867.	1,183.	13,016.	15.%	2,278,075.	1,813,358.	464,717.	126.%
SOUTH DAKOTA	826.	1,183.	4,783.	15.%	837,126.	743,000.	94,126.	113.%
NEW MEXICO (ABQ)	823.	1,183.	6,451.	15.%	1,129,061.	1,647,000.	-517,939.	69.%
NORTH DAKOTA	817.	1,183.	2,143.	15.%	375,070.	740,000.	-364,930.	51.%
UTAH (NAVAJO)	772.	1,183.	1,243.	15.%	217,551.	252,545.	-34,994.	86.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,057.	15.%	710,061.	543,000.	167,061.	131.%
IDAHO	720.	1,183.	1,648.	15.%	288,435.	485,000.	-196,565.	59.%
MISSISSIPPI	595.	1,183.	100.	15.%	17,502.	15,000.	2,502.	117.%
ARIZ (PHOENIX)	867.	1,183.	6,024.	15.%	1,054,327.	608,342.	445,985.	173.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	799.	15.%	139,842.	0.	139,842.	-
NEW MEXICO (NAVAJO)	823.	1,183.	16,299.	15.%	2,852,669.	2,200,000.	652,669.	130.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	283.	15.%	49,531.	0.	49,531.	-
UTAH PHOENIX	772.	1,183.	520.	15.%	91,011.	20,000.	71,011.	455.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	185.	15.%	32,379.	0.	32,379.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	10,522.	15.%	1,841,573.	1,587,000.	254,573.	116.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	510.	15.%	89,261.	30,000.	59,261.	298.%
TOTALS					21,561,245.	21,561,245.	0.	100.%

*WHICHEVER IS HIGHER

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED**	(% OF C) VARIABLE	FUNDING LEVEL (DxE) FIXED	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,689.	1,689.	2,928.	12.%	599,721.	120,000.	479,721.	500.%
ALASKA	1,685.	1,685.	18,152.	12.%	3,709,146.	5,684,000.	-1,974,854.	65.%
MINNESOTA	1,185.	1,185.	4,230.	12.%	607,867.	890,000.	-282,133.	68.%
MICHIGAN	1,146.	1,183.	867.	12.%	124,381.	111,000.	13,381.	112.%
OREGON	1,123.	1,183.	1,251.	12.%	179,470.	70,000.	109,470.	256.%
WYOMING	1,097.	1,183.	1,218.	12.%	174,736.	135,000.	39,736.	129.%
WISCONSIN	1,089.	1,183.	4,664.	12.%	669,103.	504,000.	165,103.	133.%
WASHINGTON	1,057.	1,183.	7,299.	12.%	1,047,123.	975,000.	72,123.	107.%
CALIFORNIA	1,006.	1,183.	2,367.	12.%	339,572.	350,000.	-10,428.	97.%
IOWA	1,000.	1,183.	282.	12.%	40,456.	0.	40,456.	-
MONTANA	965.	1,183.	8,380.	12.%	1,202,205.	1,060,000.	142,205.	113.%
NEBRASKA	950.	1,183.	1,055.	12.%	151,351.	344,000.	-192,649.	44.%
COLORADO	947.	1,183.	1,094.	12.%	156,947.	292,000.	-135,053.	54.%
NEVADA	943.	1,183.	3,306.	12.%	474,283.	230,000.	244,283.	206.%
KANSAS	942.	1,183.	268.	12.%	38,448.	102,000.	-63,552.	38.%
FLORIDA	877.	1,183.	299.	12.%	42,895.	10,000.	32,895.	429.%
ARIZONA (NAVAJO)	867.	1,183.	15,880.	12.%	2,278,163.	1,813,358.	464,805.	126.%
SOUTH DAKOTA	826.	1,183.	5,835.	12.%	837,096.	743,000.	94,096.	113.%
NEW MEXICO (ABQ)	823.	1,183.	7,870.	12.%	1,129,040.	1,647,000.	-517,960.	69.%
NORTH DAKOTA	817.	1,183.	2,614.	12.%	375,008.	740,000.	-364,992.	51.%
UTAH (NAVAJO)	772.	1,183.	1,516.	12.%	217,487.	252,545.	-35,058.	86.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,950.	12.%	710,133.	543,000.	167,133.	131.%
IDAHO	720.	1,183.	2,011.	12.%	288,500.	485,000.	-196,500.	59.%
MISSISSIPPI	595.	1,183.	122.	12.%	17,503.	15,000.	2,503.	117.%
ARIZ (PHOENIX)	867.	1,183.	7,349.	12.%	1,054,296.	608,342.	445,954.	173.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	975.	12.%	139,875.	0.	139,875.	-
NEW MEXICO (NAVAJO)	823.	1,183.	19,885.	12.%	2,852,725.	2,200,000.	652,725.	130.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	345.	12.%	49,494.	0.	49,494.	-
UTAH PHOENIX	772.	1,183.	634.	12.%	90,955.	20,000.	70,955.	455.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	226.	12.%	32,422.	0.	32,422.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	12,837.	12.%	1,841,611.	1,587,000.	254,611.	116.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	622.	12.%	89,233.	30,000.	59,233.	297.%
TOTALS					21,561,245.	21,561,245.	0.	100.%

*WHICHEVER IS HIGHER

**PROJECTED PRESENT JOM POPULATION INCLUDING THOSE ELEGIBLE BUT NOT BEING SERVED (22%)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED	(% OF C) VARIABLE	FUNDING LEVEL (DxE) FIXED	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,689.	1,689.	2,400.	19.%	788,600.	120,000.	668,600.	657.%
ALASKA	1,685.	1,685.	14,879.	19.%	4,877,410.	5,684,000.	-806,590.	86.%
MINNESOTA	1,185.	1,185.	3,467.	19.%	799,260.	890,000.	-90,740.	90.%
MICHIGAN	1,146.	1,183.	711.	19.%	163,632.	111,000.	52,632.	147.%
OREGON	1,123.	1,183.	1,025.	19.%	235,898.	70,000.	165,898.	337.%
WYOMING	1,097.	1,183.	998.	19.%	229,684.	135,000.	94,684.	170.%
WISCONSIN	1,089.	1,183.	3,823.	19.%	879,842.	504,000.	375,842.	175.%
WASHINGTON	1,057.	1,183.	5,983.	19.%	1,376,954.	975,000.	401,954.	141.%
CALIFORNIA	1,006.	1,183.	1,940.	19.%	446,480.	350,000.	96,480.	128.%
IOWA	1,000.	1,183.	231.	19.%	53,163.	0.	53,163.	-
MONTANA	965.	1,183.	6,869.	19.%	1,580,862.	1,060,000.	520,862.	149.%
NEBRASKA	950.	1,183.	865.	19.%	199,075.	344,000.	-144,925.	58.%
COLORADO	947.	1,183.	897.	19.%	206,440.	292,000.	-85,560.	71.%
NEVADA	943.	1,183.	2,710.	19.%	623,692.	230,000.	393,692.	271.%
KANSAS	942.	1,183.	220.	19.%	50,632.	102,000.	-51,368.	50.%
FLORIDA	877.	1,183.	245.	19.%	56,386.	10,000.	46,386.	564.%
ARIZONA (NAVAJO)	867.	1,183.	13,016.	19.%	2,995,559.	1,813,358.	1,182,201.	165.%
SOUTH DAKOTA	826.	1,183.	4,783.	19.%	1,100,780.	743,000.	357,780.	148.%
NEW MEXICO (ABQ)	823.	1,183.	6,451.	19.%	1,484,661.	1,647,000.	-162,339.	90.%
NORTH DAKOTA	817.	1,183.	2,143.	19.%	493,199.	740,000.	-246,801.	67.%
UTAH (NAVAJO)	772.	1,183.	1,243.	19.%	286,069.	252,545.	33,524.	113.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,057.	19.%	933,696.	543,000.	390,696.	172.%
IDAHO	720.	1,183.	1,648.	19.%	379,278.	485,000.	-105,722.	78.%
MISSISSIPPI	695.	1,183.	100.	19.%	23,014.	15,000.	8,014.	153.%
ARIZ (PHOENIX)	867.	1,183.	6,024.	19.%	1,386,390.	608,342.	778,048.	228.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	799.	19.%	183,885.	0.	183,885.	-
NEW MEXICO (NAVAJO)	823.	1,183.	16,299.	19.%	3,751,123.	2,200,000.	1,551,123.	171.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	283.	19.%	65,131.	0.	65,131.	-
UTAH PHOENIX	772.	1,183.	520.	19.%	119,675.	20,000.	99,675.	598.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	185.	19.%	42,577.	0.	42,577.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	10,522.	19.%	2,421,579.	1,587,000.	834,579.	153.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	510.	19.%	117,374.	30,000.	87,374.	391.%
TOTALS					28,352,000.	21,561,245.	6,790,755.	131.%

*WHICHEVER IS HIGHER

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED**	(% OF C) VARIABLE	FUNDING LEVEL (DxE) FIXED	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,689.	1,689.	2,928.	16.%	788,605.	120,000.	668,605.	657.%
ALASKA	1,685.	1,685.	18,152.	16.%	4,877,349.	5,684,000.	-806,651.	86.%
MINNESOTA	1,185.	1,185.	4,230.	16.%	799,316.	890,000.	-90,684.	90.%
MICHIGAN	1,146.	1,183.	867.	16.%	163,555.	111,000.	52,555.	147.%
OREGON	1,123.	1,183.	1,251.	16.%	235,994.	70,000.	165,994.	337.%
WYOMING	1,097.	1,183.	1,218.	16.%	229,769.	135,000.	94,769.	170.%
WISCONSIN	1,089.	1,183.	4,664.	16.%	879,838.	504,000.	375,838.	175.%
WASHINGTON	1,057.	1,183.	7,299.	16.%	1,376,916.	975,000.	401,916.	141.%
CALIFORNIA	1,006.	1,183.	2,367.	16.%	446,521.	350,000.	96,521.	128.%
IOWA	1,000.	1,183.	282.	16.%	53,198.	0.	53,198.	-
MONTANA	965.	1,183.	8,380.	16.%	1,580,841.	1,060,000.	520,841.	149.%
NEBRASKA	950.	1,183.	1,055.	16.%	199,020.	344,000.	-144,980.	58.%
COLORADO	947.	1,183.	1,094.	16.%	206,377.	292,000.	-85,623.	71.%
NEVADA	943.	1,183.	3,306.	16.%	623,659.	230,000.	393,659.	271.%
KANSAS	942.	1,183.	268.	16.%	50,557.	102,000.	-51,443.	50.%
FLORIDA	877.	1,183.	299.	16.%	56,405.	10,000.	46,405.	564.%
ARIZONA (NAVAJO)	867.	1,183.	15,880.	16.%	2,995,675.	1,813,358.	1,182,317.	165.%
SOUTH DAKOTA	826.	1,183.	5,835.	16.%	1,100,741.	743,000.	357,741.	148.%
NEW MEXICO (ABQ)	823.	1,183.	7,870.	16.%	1,484,633.	1,647,000.	-162,367.	90.%
NORTH DAKOTA	817.	1,183.	2,614.	16.%	493,117.	740,000.	-246,883.	67.%
UTAH (NAVAJO)	772.	1,183.	1,516.	16.%	285,985.	252,545.	33,440.	113.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,950.	16.%	933,791.	543,000.	390,791.	172.%
IDAHO	720.	1,183.	2,011.	16.%	379,364.	485,000.	-105,636.	78.%
MISSISSIPPI	595.	1,183.	122.	16.%	23,015.	15,000.	8,015.	153.%
ARIZ (PHOENIX)	867.	1,183.	7,349.	16.%	1,386,349.	608,342.	778,007.	228.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	975.	16.%	183,928.	0.	183,928.	-
NEW MEXICO (NAVAJO)	823.	1,183.	19,885.	16.%	3,751,197.	2,200,000.	1,551,197.	171.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	345.	16.%	65,083.	0.	65,083.	-
UTAH PHOENIX	772.	1,183.	634.	16.%	119,601.	20,000.	99,601.	598.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	226.	16.%	42,634.	0.	42,634.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	12,837.	16.%	2,421,630.	1,587,000.	834,630.	153.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	622.	16.%	117,337.	30,000.	87,337.	391.%
TOTALS					28,352,000.	21,561,245.	6,790,755.	131.%

*WHICHEVER IS HIGHER

**PROJECTED PRESENT JOM POPULATION INCLUDING THOSE ELEGIBLE BUT NOT BEING SERVED (22%)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED	(% OF C) FIXED	FUNDING LEVEL (DxE) VARIABLE	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,699.	1,689.	2,400.	25.%	1,013,400.	120,000.	893,400.	845.%
ALASKA	1,685.	1,685.	14,879.	25.%	6,267,779.	5,684,000.	583,779.	110.%
MINNESOTA	1,185.	1,185.	3,467.	25.%	1,027,099.	890,000.	137,099.	115.%
MICHIGAN	1,146.	1,183.	711.	25.%	210,278.	111,000.	99,278.	189.%
OREGON	1,123.	1,183.	1,025.	25.%	303,144.	70,000.	233,144.	433.%
WYOMING	1,097.	1,183.	998.	25.%	295,159.	135,000.	160,159.	219.%
WISCONSIN	1,089.	1,183.	3,823.	25.%	1,130,652.	504,000.	626,652.	224.%
WASHINGTON	1,057.	1,183.	5,983.	25.%	1,769,472.	975,000.	794,472.	182.%
CALIFORNIA	1,006.	1,183.	1,940.	25.%	573,755.	350,000.	223,755.	164.%
IOWA	1,000.	1,183.	231.	25.%	68,318.	0.	68,318.	-
MONTANA	965.	1,183.	6,869.	25.%	2,031,507.	1,060,000.	971,507.	192.%
NEBRASKA	950.	1,183.	865.	25.%	255,824.	344,000.	-88,176.	74.%
COLORADO	947.	1,183.	897.	25.%	265,288.	292,000.	-26,712.	91.%
NEVADA	943.	1,183.	2,710.	25.%	801,483.	230,000.	571,483.	349.%
KANSAS	942.	1,183.	220.	25.%	65,065.	102,000.	-36,935.	64.%
FLORIDA	877.	1,183.	245.	25.%	72,459.	10,000.	62,459.	725.%
ARIZONA (NAVAJO)	867.	1,183.	13,016.	25.%	3,849,482.	1,813,358.	2,036,124.	212.%
SOUTH DAKOTA	826.	1,183.	4,783.	25.%	1,414,572.	743,000.	671,572.	190.%
NEW MEXICO (ABQ)	823.	1,183.	6,451.	25.%	1,907,883.	1,647,000.	260,883.	116.%
NORTH DAKOTA	817.	1,183.	2,143.	25.%	633,792.	740,000.	-106,208.	86.%
UTAH (NAVAJO)	772.	1,183.	1,243.	25.%	367,617.	252,545.	115,072.	146.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,057.	25.%	1,199,858.	543,000.	656,858.	221.%
IDAHO	720.	1,183.	1,648.	25.%	487,396.	485,000.	2,396.	101.%
MISSISSIPPI	595.	1,183.	100.	25.%	29,575.	15,000.	14,575.	197.%
ARIZ (PHOENIX)	867.	1,183.	6,024.	25.%	1,781,598.	608,342.	1,173,256.	293.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	799.	25.%	236,304.	0.	236,304.	-
NEW MEXICO (NAVAJO)	823.	1,183.	16,299.	25.%	4,820,429.	2,200,000.	2,620,429.	219.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	283.	25.%	83,697.	0.	83,697.	-
UTAH PHOENIX	772.	1,183.	520.	25.%	153,790.	20,000.	133,790.	769.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	185.	25.%	54,714.	0.	54,714.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	10,522.	25.%	3,111,882.	1,587,000.	1,524,882.	196.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	510.	25.%	150,833.	30,000.	120,833.	503.%
TOTALS					36,434,104.	21,561,245.	14,872,859.	169.%

*WHICHEVER IS HIGHER

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED**	(% OF C) FIXED	FUNDING LEVEL (DxE) VARIABLE	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,689.	1,689.	2,928.	25.%	1,236,348.	120,000.	1,116,348.	1030.%
ALASKA	1,685.	1,685.	18,152.	25.%	7,646,530.	5,684,000.	1,962,530.	135.%
MINNESOTA	1,185.	1,185.	4,230.	25.%	1,253,138.	890,000.	363,138.	141.%
MICHIGAN	1,146.	1,183.	867.	25.%	256,415.	111,000.	145,415.	231.%
OREGON	1,123.	1,183.	1,251.	25.%	369,983.	70,000.	299,983.	529.%
WYOMING	1,097.	1,183.	1,218.	25.%	360,224.	135,000.	225,224.	267.%
WISCONSIN	1,089.	1,183.	4,664.	25.%	1,379,378.	504,000.	875,378.	274.%
WASHINGTON	1,057.	1,183.	7,299.	25.%	2,158,679.	975,000.	1,183,679.	221.%
CALIFORNIA	1,006.	1,183.	2,367.	25.%	700,040.	350,000.	350,040.	200.%
IOWA	1,000.	1,183.	282.	25.%	83,402.	0.	83,402.	-
MONTANA	965.	1,183.	8,380.	25.%	2,478,385.	1,060,000.	1,418,385.	234.%
NEBRASKA	950.	1,183.	1,055.	25.%	312,016.	344,000.	-31,984.	91.%
COLORADO	947.	1,183.	1,094.	25.%	323,551.	292,000.	31,551.	111.%
NEVADA	943.	1,183.	3,306.	25.%	977,750.	230,000.	747,750.	425.%
KANSAS	942.	1,183.	268.	25.%	79,261.	102,000.	-22,739.	78.%
FLORIDA	877.	1,183.	299.	25.%	88,429.	10,000.	78,429.	884.%
ARIZONA (NAVAJO)	867.	1,183.	15,880.	25.%	4,696,510.	1,813,358.	2,883,152.	259.%
SOUTH DAKOTA	826.	1,183.	5,835.	25.%	1,725,701.	743,000.	982,701.	232.%
NEW MEXICO (ABQ)	823.	1,183.	7,870.	25.%	2,327,553.	1,647,000.	680,553.	141.%
NORTH DAKOTA	817.	1,183.	2,614.	25.%	773,091.	740,000.	33,091.	105.%
UTAH (NAVAJO)	772.	1,183.	1,516.	25.%	448,357.	252,545.	195,812.	178.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,950.	25.%	1,463,963.	543,000.	920,963.	270.%
IDAHO	720.	1,183.	2,011.	25.%	594,753.	485,000.	109,753.	123.%
MISSISSIPPI	595.	1,183.	122.	25.%	36,082.	15,000.	21,082.	241.%
ARIZ (PHOENIX)	867.	1,183.	7,349.	25.%	2,173,467.	608,342.	1,565,125.	357.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	975.	25.%	288,356.	0.	288,356.	-
NEW MEXICO (NAVAJO)	823.	1,183.	19,885.	25.%	5,880,989.	2,200,000.	3,680,989.	267.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	345.	25.%	102,034.	0.	102,034.	-
UTAH PHOENIX	772.	1,183.	634.	25.%	187,506.	20,000.	167,506.	938.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	226.	25.%	66,840.	0.	66,840.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	12,837.	25.%	3,796,543.	1,587,000.	2,209,543.	239.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	622.	25.%	183,957.	30,000.	153,957.	613.%
TOTALS					44,449,231.	21,561,245.	22,887,986.	206.%

*WHICHEVER IS HIGHER
**PROJECTED PRESENT JOM POPULATION INCLUDING THOSE ELEGIBLE BUT NOT BEING SERVED (22%)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED	(% OF C) FIXED	FUNDING LEVEL (DxE) VARIABLE	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,689.	1,689.	2,400.	50.%	2,026,800.	120,000.	1,906,800.	1689.%
ALASKA	1,685.	1,685.	14,879.	50.%	12,535,558.	5,684,000.	6,851,558.	221.%
MINNESOTA	1,185.	1,185.	3,467.	50.%	2,054,198.	890,000.	1,164,198.	231.%
MICHIGAN	1,146.	1,183.	711.	50.%	420,557.	111,000.	309,557.	379.%
OREGON	1,123.	1,183.	1,025.	50.%	606,288.	70,000.	536,288.	866.%
WYOMING	1,097.	1,183.	998.	50.%	590,317.	135,000.	455,317.	437.%
WISCONSIN	1,089.	1,183.	3,823.	50.%	2,261,305.	504,000.	1,757,305.	449.%
WASHINGTON	1,057.	1,183.	5,983.	50.%	3,538,945.	975,000.	2,563,945.	363.%
CALIFORNIA	1,006.	1,183.	1,940.	50.%	1,147,510.	350,000.	797,510.	328.%
IOWA	1,000.	1,183.	231.	50.%	136,637.	0.	136,637.	-
MONTANA	965.	1,183.	6,869.	50.%	4,063,014.	1,060,000.	3,003,014.	383.%
NEBRASKA	950.	1,183.	865.	50.%	511,648.	344,000.	167,648.	149.%
COLORADO	947.	1,183.	897.	50.%	530,576.	292,000.	238,576.	182.%
NEVADA	943.	1,183.	2,710.	50.%	1,602,965.	230,000.	1,372,965.	697.%
KANSAS	942.	1,183.	220.	50.%	130,130.	102,000.	28,130.	128.%
FLORIDA	877.	1,183.	245.	50.%	144,918.	10,000.	134,918.	1449.%
ARIZONA (NAVAJO)	867.	1,183.	13,016.	50.%	7,698,964.	1,813,358.	5,885,606.	425.%
SOUTH DAKOTA	826.	1,183.	4,783.	50.%	2,829,145.	743,000.	2,086,145.	381.%
NEW MEXICO (ABQ)	823.	1,183.	6,451.	50.%	3,815,767.	1,647,000.	2,168,767.	232.%
NORTH DAKOTA	817.	1,183.	2,143.	50.%	1,267,585.	740,000.	527,585.	171.%
UTAH (NAVAJO)	772.	1,183.	1,243.	50.%	735,235.	252,545.	482,690.	291.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,057.	50.%	2,399,716.	543,000.	1,856,716.	442.%
IDAHO	720.	1,183.	1,648.	50.%	974,792.	485,000.	489,792.	201.%
MISSISSIPPI	595.	1,183.	100.	50.%	59,150.	15,000.	44,150.	394.%
ARIZ (PHOENIX)	867.	1,183.	6,024.	50.%	3,563,196.	608,342.	2,954,854.	586.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	799.	50.%	472,609.	0.	472,609.	-
NEW MEXICO (NAVAJO)	823.	1,183.	16,299.	50.%	9,640,859.	2,200,000.	7,440,859.	438.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	283.	50.%	167,395.	0.	167,395.	-
UTAH PHOENIX	772.	1,183.	520.	50.%	307,580.	20,000.	287,580.	1538.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	185.	50.%	109,428.	0.	109,428.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	10,522.	50.%	6,223,763.	1,587,000.	4,636,763.	392.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	510.	50.%	301,665.	30,000.	271,665.	1006.%
TOTALS					72,868,215.	21,561,245.	51,306,970.	338.%

*WHICHEVER IS HIGHER

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F	COLUMN G	COLUMN H	COLUMN I
STATE	PER CAPITA EXPENDITURE	STATE OR NATIONAL AVERAGE*	NO. OF JOM STUDENTS SERVED**	(% OF C) FIXED	FUNDING LEVEL (DxE) VARIABLE	FY 74 SUPPLEMENTAL ALLOCATION	$ CHANGE (F-G)	% CHANGE (F/Gx100)
NEW YORK	1,689.	1,689.	2,928.	50.%	2,472,696.	120,000.	2,352,696.	2061.%
ALASKA	1,685.	1,685.	18,152.	50.%	15,293,060.	5,684,000.	9,609,060.	269.%
MINNESOTA	1,185.	1,185.	4,230.	50.%	2,506,275.	890,000.	1,616,275.	282.%
MICHIGAN	1,146.	1,183.	867.	50.%	512,831.	111,000.	401,831.	462.%
OREGON	1,123.	1,183.	1,251.	50.%	739,967.	70,000.	669,967.	1057.%
WYOMING	1,097.	1,183.	1,218.	50.%	720,447.	135,000.	585,447.	534.%
WISCONSIN	1,089.	1,183.	4,664.	50.%	2,758,756.	504,000.	2,254,756.	547.%
WASHINGTON	1,057.	1,183.	7,299.	50.%	4,317,359.	975,000.	3,342,359.	443.%
CALIFORNIA	1,006.	1,183.	2,367.	50.%	1,400,081.	350,000.	1,050,081.	400.%
IOWA	1,000.	1,183.	282.	50.%	166,803.	0.	166,803.	-
MONTANA	965.	1,183.	8,380.	50.%	4,956,770.	1,060,000.	3,896,770.	468.%
NEBRASKA	950.	1,183.	1,055.	50.%	624,033.	344,000.	280,033.	181.%
COLORADO	947.	1,183.	1,094.	50.%	647,101.	292,000.	355,101.	222.%
NEVADA	943.	1,183.	3,306.	50.%	1,955,499.	230,000.	1,725,499.	850.%
KANSAS	942.	1,183.	268.	50.%	158,522.	102,000.	56,522.	155.%
FLORIDA	877.	1,183.	299.	50.%	176,859.	10,000.	166,859.	1769.%
ARIZONA (NAVAJO)	867.	1,183.	15,880.	50.%	9,393,020.	1,813,358.	7,579,662.	518.%
SOUTH DAKOTA	826.	1,183.	5,835.	50.%	3,451,403.	743,000.	2,708,403.	465.%
NEW MEXICO (ABQ)	823.	1,183.	7,870.	50.%	4,655,105.	1,647,000.	3,008,105.	283.%
NORTH DAKOTA	817.	1,183.	2,614.	50.%	9,556,581.	740,000.	8,816,581.	1291.%
UTAH (NAVAJO)	772.	1,183.	1,516.	50.%	896,714.	252,545.	644,169.	355.%
OKLAHOMA (ANADARKO)	730.	1,183.	4,950.	50.%	2,927,925.	543,000.	2,384,925.	539.%
IDAHO	720.	1,183.	2,011.	50.%	1,189,507.	485,000.	704,507.	245.%
MISSISSIPPI	595.	1,183.	122.	50.%	72,163.	15,000.	57,163.	481.%
ARIZ (PHOENIX)	867.	1,183.	7,349.	50.%	4,346,934.	608,342.	3,738,592.	715.%
ARIZ (PERIPH.) NAVAJO	867.	1,183.	975.	50.%	576,713.	0.	576,713.	-
NEW MEXICO (NAVAJO)	823.	1,183.	19,885.	50.%	11,761,978.	2,200,000.	9,561,978.	535.%
N.M. (PERIPH.) NAVAJO	823.	1,183.	345.	50.%	204,068.	0.	204,068.	-
UTAH PHOENIX	772.	1,183.	634.	50.%	375,011.	20,000.	355,011.	1875.%
UTAH (PERIPH.) NAVAJO	772.	1,183.	226.	50.%	133,679.	0.	133,679.	-
OKLAHOMA (MUSKOGEE)	730.	1,183.	12,837.	50.%	7,593,086.	1,587,000.	6,006,086.	479.%
CALIFORNIA (PHOENIX)	1,006.	1,183.	622.	50.%	367,913.	30,000.	337,913.	1226.%
TOTALS					96,908,859.	21,561,245.	75,347,614.	449.%

*WHICHEVER IS HIGHER

**PROJECTED PRESENT JOM POPULATION INCLUDING THOSE ELEGIBLE BUT NOT BEING SERVED (22%)